DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
HICAGO CURB EXCHANGE
YORK COTTON EXCHANGE
YORK PRODUCE EXCHANGE
V YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

January 2, 1931

Cables from abroad were somewhat stronger t[illegible] expected and this had more of an effect upon Winnipeg where opening values were considerably higher. Trade in our market was more or less of the same holiday character until some large buying orders came into the corn market and the yellow cereal rallied very sharply. We believe that this sympathetic strength in wheat was cause mostly by short covering as there certainly was nothing in the news to cause an advance.

The primary receipts of wheat today were enormous and it looks as though the visible supply on Monday will either decrease very slightly or might even show an increase, which of course is unusual at this season of the year. Kansas City so far shows an increase of 446,000 bushels, Duluth 695,000 and Minneapolis 220,000 or a total of 1,361,000 bushels for these three places. Under the circumstances it will be difficult to hold up prices for July wheat and as soon as the present covering movement is over we expect there will again be recessions, particularly with Argentine and Australian offerings and shipments that will be pressing on a very liberal scale.

Corn receipts are light; primaries today totaling only 779,000 bushels compared with 1,284,000 bushels last year and we think this cereal has merit, but of course some prudence must be used after today's sharp advance before making additional purchases.

UHLMANN GRAIN COMPANY

30 March 1983

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

January 3, 1931

Cables, while stronger today, reflected only moderately our sharp upturn of yesterday; and at the opening this morning our July wheat was higher than Liverpool July. At the close the difference is still greater, although of course Liverpool is due considerably higher. This will probably come on Monday, as the Winnipeg market was very firm and considerably higher.

The strength at Winnipeg has been explained to us as due to heavy purchases on the part of Chicago traders as protection against short July wheat.

If one regards only the price, Winnipeg wheat is very cheap; but if one considers conditions the matter is different. Canada has exported so far about 121 million bushels of wheat, and as she has carried over more than that, she still has all of the 1930 crop yet to dispose of: in otherwords, more than 300 million bushels, which is 50 million more than last season. They ought to find some difficulty in doing so this season, as Argentina and Australia probably will ship 150,000,000 bushels more during the crop year; also Russia is a contributing factor.

Under these circumstances, we can see nothing bullish in the situation. From time to time we shall have upward fluctuations in July wheat, as there is no pressure on that future, hedges on old wheat all being made in our May wheat.

Corn closed with very little change compared with yesterday. At times it was higher and at times lower than yesterday. We feel that this cereal has great merit, but it is a little early to bull it. Primary receipts are very small, and particularly in Chicago hardly enough to take care of the local demand. Otherwise, the demand for commercial purposes is poor.

Should corn keep strong, oats and rye would be benefited.

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan 6th, 1931.

Cables might have been construed reasonably strong at the opening this morning, compared with the break of yesterday- both here and at Winnipeg, but they lost all their strength during the session. It was reported that there were heavy rains in the Argentine, which probably caused a firmer feeling; possibly the weather improved later which information has not yet reached us.

There was no other news of consequence affecting wheat prices. Primary receipts still continue on a very liberal scale. However, the extreme strength in corn caused spreading operations and wheat sympathised with it, altho only reluctantly- closing considerably higher.

We are repeatedly asked whether we think the Farm Board will operate in July wheat. Our answer invariably is that we do not think so; and while we are not in their confidence, and have no inside information, we have come to this conclusion because such a policy would be suicidal.

Our reasons are these: The Farm Board agencies started buying about 65 million bushels of wheat on basis of $1.18 Chicago. This wheat today, with storage, insurance and interest charges, would cost about $1.35. Based on Liverpool quotations of 64 3/4¢ the wheat would net about 50¢ if sold abroad and that is where it will finally have to land, so there is a loss on the first investment of about $50,000,000. On Liverpool basis, there are further losses on about 60,000,000 bushels of May wheat purchased, when this wheat has to be sold.

There are further losses on cotton of about $30,000,000 or $40,000,000, also the expenses of running the business, and unprofitable investment in other commodities, which we think might bring total losses probably close to $150 to$200,000,000. At least, this is what we think a true balance sheet would show up to the present time.

On the other side, for profits we do not believe there are any. Furthermore, the Farm Board will probably have an accumulation if it wants to hold up the price to the first of July of about 200,000,000 bushels, and the carrying charges on same, including the carrying chargest on cotton, will mean a yearly expense of $50,000,000 , so they are yearly worse off by about this amount than when they started

Should the price of July wheat be kept up artificially.all these charges would increase, and of course it finally would end in disaster much greater than the one which occurred in Canada.

Therefore, we do not believe the FarmBoard will operate in July wheat.

Corn opened without much change, but the very light receipts in Chicago and elsewhere were very impressive and without much difficulty the market had a very sharp upturn. We have frequently pointed out that corn has a great deal of merit; all other cereals naturally sympathised with it.

UHLMANN GRAIN CO.

WIRE - PHONE - WRITE
ORDERS TO
JAMES E. CAIRNS
1430 BOARD OF TRADE BLDG.
TEL. HARRISON 6282

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan 7th, 1931.

Liverpool cables showed poor response to yesterday's strength, both in Canada and here, and our May future is about 30¢ out of line with that market, and our July wheat is practically selling at the same price, so there is no chance for any export business either now or later on unless conditions change materially. Kansas City, Minneapolis and Duluth so far show an increase in wheat stocks of over 800,000 bushels, and as their receipts keep up pretty well, it already looks as if by next week the visible supply might be a stand-off; at least, changes will be only of a minor character. This will compare with a decrease in the visible supply last year of 3,300,000 bushels.

The moisture conditions, both in the Southwest and in the East, are also improving, so there is nothing in the situation to justify the higher prices which took place today, but they came about entirely in sympathy with corn.

Winnipeg did not show as much strength as we did- they still having a very large quantity of wheat to sell, and they do not seem to be able to dispose of it very fast.

The wheat price itself would look low enough if we could forget for a moment conditions, but we are suffering from a disease, which has been brought about artificially and which has not yet been corrected. First- the Canadian Pool, with its artificial prices, for five years increased its yearly carryover until finally a collapse occurred. Then simultaneously Russia started on a five year plan, increasing its wheat production tremendously at the expense of its textile industries. While wheat is very plentiful and is being dumped on European markets, clothing, shoes, etc. are manufactured in smaller quantities than before the War, and the people suffer accordingly. Then came the United States at about the same time with a stabilization Corporation, holding prices above the world's level. Fortunately they are not working on a five year plan and can correct their errors whenever they see fit, but in all probabilities it will be with us for many months.

All these different so-called remedies had the contrary effect than was intended. They inspired false hope to the farmer and acreages were increased instead of decreased. Whenever the farmer will be left to his own resources and guided by the demand we think acreages will be reduced, less fertilizer will be used and at least the hope for a bull movement will exist, which just now looks unlikely.

Corn is certainly the leader of all cereals, and at the present time it has many friends, because with the very small receipts and knowledge that this year's crop was a very short one, every bushel of corn will be wanted before this season is over. Also somebody had a rumor that the Wickersham recommendation will be more favorable for the modification of the Volstead Act than the newspapers led us to believe.

Other coarse grains naturally followed corn.

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 8th, 1931

Cables were rather disappointing today making a very poor response to yesterday's strength here, and a slight advance at Winnipeg. This caused a weaker opening and at no time did prices reach yesterday's closing bid quotations, and the close was considerably weaker than yesterday.

Trade is extremely light, and largely because of the uncertainty of whether the Farm Board will enter the market on the new crop futures. We still maintain that they will not, but if they should, we hope they will study what happened in the year 1897-98 when Joe Leiter tried to keep a new crop future at an artificial price. We are fully aware that the Government has more money than Joe Leiter ever had, but no amount of funds would have saved that situation; and furthermore, the Farm Board is just as anxious to conserve the tax-payers' money as anybody else, but anybody who acts in the wheat trade and makes wrong deductions, or if conditions go against him, will have to pay the penalty. This is what we think has happened this year when the Farm Board made their large purchases in the hope that enough wheat would be fed so that wheat might be disposed of at more money later on.

Now, what is the situation likely to be next July? Nobody can tell what the crop will be, but on the acreage sown, and with a reasonable acreage in Spring wheat we would consider a 900,000,000 bushel crop a bumper crop, which is exceptional. We would consider also a 750,000,000 bushel crop only possible if there were extraordinarily bad weather; but this is about the minimum figure, as experience has shown that crops are never in this large country universally good or bad. Now, assuming the worst crop of 750,000,000 bushels, and with 300,000,000 bushels being carried over, it would give us 1,050,000,000 bushels; with a consumption of 650,000,000 bushels would leave 400,000,000 bushels for export and carryover. And if we are on an artificial basis, and Liverpool and our options about the same price there could be only the smallest amount of export. Of course, to carry over such a quantity again into another season would be ruinous.

We, therefore, believe that July wheat will finally sell at whatever it is worth in the world's market.

There was no confirmation of any knowledge of the Wickersham report and corn acted weak accordingly, as these rumors yesterday had stimulated it too much. Receipts are a trifle better, and we believe with the advance we have had lately, they will continue to increase a little. On any big break we consider corn a purchase again.

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 9th, 1931

Wheat statistics were all very bearich again today. Cables were lower; Australia shipped over 3,000,000 bushels of wheat which is the beginning of a movement now which will last for some time. Clearances from all of North America were 1,000,000 bushels less than last season, and only 4,600,000 bushels compared with over 5,600,000 bushels last year. Either this country or Canada alone could easily spare that amount.

Nevertheless wheat during most of the session sold at higher prices than yesterday, being partly influenced by the great strength in the artificial May wheat, and fear that we might get a drought scare. However, it is much too early to base any hopes on that, and furthermore, if we carryover 300,000,000 bushels of wheat we would need only 350,000,000 bushels theoretically from next year's crop to carry us thru, and about as much more as we need for a carryover and export. Of course, we might just as well forget EXPORTS, with our market so far out of line.

Imports of Canadian wheat for milling in bond from July 1st, 1930 to December 13th, 1930, or about 5 1/2 months, amounted to 10,500,000 bushels. This wheat was practically all used for milling bond, as duty had been paid only on 2,000 bushels. When these importations took place the differences in prices between Canada and Chicago were not anywhere near as great as as they are now, and the temptation to import now is very much greater. It, therefore looks to us as if the importations this year might be from 20 to 25,000,000 bushels. This would make about 6,000,000 barrels of flour, and our country is deprived of this amount of business for American wheats.

Milling business in this country when prices were high amounted to a billion dollar industry, and is suffering very greatly now on account of these importations and curtailment of home consumption, because nobody buys any wheat ahead with Winnipeg May wheat 25¢ under ours, knowing that the price is artificial. It also hurts the feed business tremendously because the by-products from the imported wheat, on which duty is not very high, stay in this country, compete with other feeds and demoralize at the present time the American feed market for the miller.

Corn was strong at times and receipts are still very light, but the buying power at the advanced levels is not here at the present moment. Also increases in receipts are looked for. We think for a long pull corn can be purchased, but just now it is well to go a little slow.

Rye and oats had comparatively small fluctuations.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 10th, 1931.

Liverpool cables were very weak again today, and their July wheat closed about 1¢ under ours, which certainly is not very encouraging for the future.

Those who have been in the grain trade long enough know that prices can be kept up artificially for only a certain period, and the higher they go above their value, the lower they will end when the proper time comes.

Primary receipts were again larger than last year, and we see no let-up in same, as we consider the farmer, as a rule generally knows his business and when he sees Winnipeg wheat selling in the 50's and our wheat in the 80's he is not slow to take advantage. This will mean the crowding of wheat, which is ordinarily held on the farms, to terminal elevators, which will keep on increasing as time goes on.

We are fearful beyond measure of what the grain trade will have to go through during the next six months. Something constructive must be done during the period, and the boosting of May wheat is simply destructive, as it reduces consumption and draws all the wheat in the country to terminal elevators, which are already crowded to capacity.

We tried to sell some wheat today to Chicago handlers and every elevator man told us that he was filled up. We looked up the amount of grain in Chicago elevators and find the total to be 30,750,000 bushels, which is about the capacity, private elevators included. Then we found out that there are afloat 6,750,000 bushels, of all kinds of grain, which could not be unloaded at the present time and which will have to be unloaded or shipped before opening of navigation in the middle of April, or there will be a situation such as nobody has seen. Shipments can be made only if a demand can be developed; but the higher the price goes above the world's market the more difficult it will be to dispose of this wheat.

There has not been a year since 1924 when the visible supply did not decrease during January, and this is the normal thing; but how can we expect decreases if through high prices artificially upheld the feeding and the normal consumption are being interfered with.

With #3 Northern wheat, equal to our #2 hard wheat, selling at Winnipeg at 47¢, or 35¢ under our May wheat, nobody can tell what the secondary consequences will be if this policy continues to be pursued. One thing we do know: that if the elevators are nearly filled at the end of the year and the new crop comes on the market we have about the following picture:

Assuming the crop to be even 50,000,000 bushels less than last season, it would be about 800,000,000 bushels, and with 650,000,000 bushels consumption there would be 150,000,000 bus. to dispose of, which with the carryover of about 300,000,000 makes a total of 450,000,000 bushels. If the price is kept up on an artificial basis everybody will buy from hand to mouth, and two weeks after the crop moves cars will be on demurrage and wheat might become unsalable, unless again artificially held up.

Jan. 10th, 1931.

It requires all the brains of the grain world to solve the situation. Haphazard methods will not do it, and we must look ahead. It is of no great value now to the farmer if prices are kept up. We figure that by the first of March there will not be more than 15 per cent of the crop left, or about the same as last season: 127,000,000 bushels. Part of this will be fed or held over; so the farmer is no longer greatly interested in the price; but the whole commercial situation may be affected by the manner in which the grain situation is handled from now until the first of July.

Corn receipts are somewhat on the increase; the commercial demand is still poor, feeling is bearish, and the price declined accordingly.

Oats and rye were affected sympathetically.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 12th, 1931.

Liverpool cables were practically unchanged today and cut no figure. The news in general was very bearish on wheat, which, however, did not prevent advances, both in the new and old crop futures. However, as we assume, the Farm Board is guided more or less by conditions and not just by a whim, we are inclined to think that they will soon change their policy and try to dispose of some of their large holdings before it comes into competition with the new crop. The Farm Board, no doubt acted on the theory that there would be a very large amount of wheat used for feeding, but in this they must have been greatly disappointed, and we are now advised that at the present difference between price of wheat and corn the farmer is shipping his wheat and consuming his corn. This shows very plainly in the very heavy primary receipts, which amounted today to 1,747,000 bushels, or 700,000 bushels more than last season.

The visible supply increased over 1,700,000 bushels, compared with a decrease of 3,250,000 bushels last year. For the first two weeks in January, 1930, the visible supply had decreased 6,000,000 bushels, and increased so far this year 3,000,000 bus. Now the week following in 1930 the visible supply decreased 3,700,000 bushels. With these big primary receipts we would not be surpsised to see another increase.

In the meantime elevators are filling up everywhere; the price of corn is already affected in so far as storage room is very scarce and corn from other terminal markets must be shipped to Chicago. The local consuming interests are buying corn now from both Minneapolis and Kansas City. There is no question but that the farmers who had been holding their wheat, say about 25%, are profiting from the Farm Board's operations, and are getting better prices now than they would otherwise. But what will be the penalty of the 100% farmer who will have to market his wheat in July? The extra demand for feeding has been taken away, and there cannot be any export to speak of. Our mills usually close down for repairs during the month of June, and in view of the approaching new crop, the time for disposing of large stocks is really very limited. Something must be done, however, to partly empty the elevators or else there will be no room whatsoever when the new crop commences to move- there may be such a deplorable situation that it will affect the whole country, and from now on, not only the grain man but thw whole commercial community will be interested in what the Government will do to bring about a more normal situation again.

Corn was strong and weak in turns, being somewhat influenced by the small decrease in the visible supply. However, primary receipts are increasing, and corn is coming here from other terminal centers. We look for increased receipts, and with corn already higher than other cereals, except artificial May wheat, we do not see much to boom corn at the present time- later on conditions might be reversed.

This also refers to oats and rye.

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 13th, 1931.

Liverpool cables were not particularly strong at the opening, but they firmed up during the session. Of course, with their July wheat still under ours, they should cut no particular figure.

Wheat news continues to be bearish, particularly the clearances, which according to Broomhall, of United State wheat were only 662,000 bushels during the past week, and there is no sign of their improving any. If we figure such clearances for 26 weeks- from January 1st, they would be only 17,000,600 bushels, and last year from January 1st to July 1st we cleared about 60,000,000 bushels. We certainly cannot assume that so much extra wheat will be fed, and consequently we come to the conclusion that if there is more wheat left in this country now than in 1930, there will be more wheat left at the end of this season. At the present time the only accurate figure of stocks we have is the visible supply, which is 18,000,000 bushels larger than last year. According to all information there is also more wheat on the Pacific Coast than there was in 1930. The mill stocks we imagine must be as large, if not larger, than last year as we think the mill and country elevators are pretty near filled. Then, of course, we have to guess on the Farmers' reserves; last year on March 1st they were about 129,000,000 bushels, Assuming there is only 15% of this year's crop left on the farm on March 1st, there would be 127,000,000 bushels; so whichever way we look at it we cannot see any shortage of wheat.

According to our calculations, there will be a carryover of 300 to 325,000,000 bushels of wheat, as last year we carried over 275,000,000 bushels, and deducting from that the Farm Board's holdings of about 130,000,000 bushels in cash and futures, there would be left a bigger carryover than in most years, with the exception of the last few. We must not forget that it was only a few years ago when the visible supply at the end of June had run down to very low figures. For instance-

in 1927	-	22,000,000	bushels
" 1926	-	12,000,000	"
" 1925	-	27,000,000	"
" 1924	-	34,000,000	"

The visible supply is likely to be as large as on those dates plus the Farm Board's holdings.

Nevertheless the market acts pretty strong, because there is no particular pressure, but of course it is a long time between now and July, and we think when that period arrives our July wheat and Liverpool will not sell at the same price- as they are doing now.

Corn was rather weak today at times, but outside trade is getting very light in all cereals and therefore fluctuations are little more meaningless and smaller orders affect prices considerably.

Trade in oats and rye is particularly ignored.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 14th, 1931.

Cables were extremely weak today and same was fully recognized in Canada- they depending entirely upon foreign markets; in spite of our strength here which developed during the session they closed lower than last night.

The news here was also bearish- primary receipts being 1,174,000 bushels compared with only 491,000 bushels last year, and while the shipments were also heavy- 756,000 bushels, compared with 1,055,000 bushels last year- think a good deal of the wheat is being shipped from one primary market to another, and really does not indicate any increased demand.

The fact that in spite of all this news our market could advance, can only be explained by shorts becoming extremely scared, and we think some of the big ones covered quite considerably.

Legge's statement yesterday that according to his calculations, they will virtually own all the wheat at the end of the season scared a great many, and of course, if he is right it would create a very difficult situation; but he still basis his calculations on extraordinarily large feeding, which we do not think has taken place. Therefore, if we are right, the July price will not stay where it is at the present time.

Corn sympathised somewhat with the strength in wheat, but only to a very moderate extent.

Rye and oats continued to be featureless.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 15th,1931.

Cables this morning were again weak- paying no attention to our advance of yesterday. This, of course, is not strange because Europe has made up its mind that with the artificial prices here there is no chance for any export from this country, and they are watching other exporting countries- Canada, Argentine and Australia, from where they receive all supplies they need, and more. We had a cable today stating that Argentine wheat was pressing again; we can never quite forget that the year before this Argentine exported 243,000,000 bushels of wheat, Nobody then had any idea how large the crop was, there are no more complaints this year about results than there were at that time, and the acreage is much greater than it was in 1928-29.

Our opening was higher on May wheat- foreigners continuing to cover their short commitments, but on a declining market they may be less scared because they really feel very bearish, and do not think these prices can be kept up indefinitely.

The news continues to be bearish- primary receipts considerably larger than in 1930, shipments lighter, and accumulation is going on steadily. In making up one's mind as to the real value and prospects of wheat next July when we come nearer to the movement of the crop, one thing should never be lost sight of; namely, that this is an exporting country- practically all the time. We think there was one year- in 1904 - when there were both black rust and a crop failure in winter wheat, when the United States exported only about 64,000,000 bushels of wheat, but with this one exception, in 43 years, we always depended upon getting rid of our surplus by shipping it abroad.

Chairman Legge has stated repeatedly, and in this we thoroughly agree with him- that surpluses cannot be carried indefinitely. Now, our visible supply and probably the total amount of stocks in this country has been increasing from year to year since 1925-26. The visible supply then was 12,000,000 bushels- it increased steadily until it reached 102,000,000 bushels last year at the end of June, and probably will be much larger this year. So we have had a period of increasing stocks now for five years. It took Canada about six years of increasing carryovers until they found out the situation was untenable. While admiting that theirs was a private pool, and ours operating with the United States Treasury in back of it, we think even the supply from that source is limited- not so much because we could not raise all the money we wanted for a good purpose, but when it is both recognized that it is futile, and that we are facing deficits, the situation is different. There are many murmurs already that taxes will have to be increased next year, which of course will hurt business in a general way; still we can stand this when it is for a useful purpose, but when taxes have to be raised just to pay about $40 or $50,000,000.00 a year to carry grain and cotton for an indefinite period, and with the secondary result of encouraging farmers to grow more wheat instead of less, many Senators will change their minds and not vote for the proposed funds.

We, therefore, believe that July wheat at much higher prices than Liverpool July wheat, and their May wheat 22¢ below ours, should be given a thought by every man who makes an investment in wheat- whether it is for his own account or for the Government.

Corn was extremely weak today- it showed great signs of weakness even yesterday when it only could be boosted a little in sympathy with wheat. Commercial demand is very poor, and there is no doubt but that less animals are fed, also substitutes are very largely used- mainly oats and rye, as wheat is too high now for this purpose.

Oats and rye sympathised with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 16th, 1931.

Wheat news continued to be bearish today, but not more so than it has been right along. Primary receipts were again exceptionally large, stocks are accumulating and foreign markets show a weak tendency, but all this could have been written daily during the last week or two, and yet the market had gone up.

Something, however, in our opinion, has changed the situation; namely, we see indications, and of course we may be wrong, that those higher up in the Farm Board have come to the conclusion that the raising of prices does not increase consumption, and possibly they may change their policy. They are probably influenced by the very mild winter, and the reducing consumption of wheat for animal food. We infer this from the fact that May wheat seems to be for sale right along in such quantities as could only come from one source. Furthermore cash discounts in the Southwest are increasing, and we do not see the aggressiveness which had been prevailing lately.

Of course, the grain trade knew right along that prices can be kept up artificially only for a while. Countries which raise surpluses must dispose of them, and the longer this process is delayed the more the punishment later.

Toward the close wheat advanced considerably on the great strength in Winnipeg- they claiming that 1,000,000 bushels of wheat had been sold for export; of course, such a quantity will not change the situation. Canada could sell 1,000,000 bushels every business day, and would still have as much wheat left, or more, than last year at the end of the season.

Corn while selling lower at one time, really did not show great weakness considering the depression in wheat. However, for the first time in a long while primary receipts were larger than last year, and we do not think it is time yet to purchase corn, altho we never want to forget the corn crop was very short and sentiment could change very quickly.

This also refers to oats and rye.

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NATIONAL METAL EXCHANGE

January 17 1931

Cables were a trifle higher this morning. From the standpoint of comparison- they could be either construed a little bearish or a little bullish, because we had declined yesterday while Winnipeg had advanced. As a matter of fact, they should be more or less ignored unless there is a very pronounced tendency, because we are utterly out of line for United States wheat- both from the East and from the Pacific Coast.

Our wheat market practically ppened unchanged, but closed considerably lower, and is now not much changed from the close of last week. In other words, the sharp advance which took place during the week was entirely lost. Naturally it was difficult to boost prices when the domestic news was extremely bearish. Primary receipts were big buring the whole week, and stocks are accumulating almost everywhere where there is room left. The visible supply may not show this fully, as a great deal of wheat has been worked from Kansas City, where stocks are decreasing, but the grain is in transit and has not been unloaded and will show up later on. Nevertheless, we think the visible supply probably will be a standoff, and if this is correct, we shall still have to figure with a visible supply of 191,000,000 bushels, while last year it decreased about 3,600,000 bushels- or was 168,583,000 bushels; at the end of the season we only had about 107,000,000 bushels left in the visible. Therefore, we could easily decrease 3,000,000 bushels a week and still have considerably more than we had last year. All this in spite of the fact that we had a very short corn crop- an occurrence which is not likely to be repeated again.

Now, let's visualize for a moment what the situation will be next July; a very large amount will be carried over, and will be entirely out of the export business unless conditions change materially. In 1930 we exported during July, August and September 60,000,000 bushels of wheat. Should prices be kept up above Liverpool, or other European markets, we shall have just as much more wheat to take care of; however, we do not think any such attempts will be made, and therefore, continue to feel very bearish on the price of July wheat. Sometime or another our wheat will have to be exported and the sooner this is realized the better it will be for everybody concerned.

The feeling in corn is also getting very bearish; more in sympathy with surrounding conditions than that corn itself is pressing too much. Argentine was offering CIF Montreal at 42 1/2¢¢ such quotations naturally have a sentimental effect, because people reason- supposing wheat should decline to 50¢ a bushel, the export value, how can July corn maintain its price of 70¢?

Oats and rye remained neglected with a lower tendency.

DAILY MARKET LETTER

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NATIONAL METAL EXCHANGE

Jan. 19th, 1931.

Wheat cables were again very weak, and all the wheat news was rather bearish, causing a weaker opening. There were fair amounts of rain or snow in the Ohio Valley and at other points; it did not quite reach all the Southwest territory, but it is not needed there as badly as it was in other places. Primary receipts were again very big- being 1,776,000 bushels, compared with 738,000 bushels last year, and the visible supply showed a decrease of 1,272,000 bu. compared with 3,600,000 bushels last year, and is now about 21,000,000 bushels larger.

A statement came from Topeka, Kansas, estimating the farmers' reserves on January 1st at about 40,000,000 bushels, or practically 10,000,000 bushels larger than last year. If this is the case, wheat feeding in that one State, where it was supposed to be on a most extensive scale, could not have been anywhere near what was expected. We, furthermore, conclude that if the Farmers' reserves on first of January were larger in Kansas, they were also larger every place else; consequently, when the figures are given out on March 1st by the Government, we might have larger farm stocks than in 1930. We surely have a larger visible supply- therefore, there will be more wheat in this country than there was last March, and as then we exported a good deal of wheat which we are not likely to do this year, we shall go into the next crop again with a larger carryover than the past season; in other words, easily 300 to 325,000,000 bushels. Should this be the case, it is not likely that the Farm Board will add to its present large holdings of 130,000,000 bushels, and wheat will sell for whatever it is worth in the export market, which at the present time would be only about 50¢ a bushel. This makes us very bearish on July wheat.

Fluctuations were comparatively small- an early break was more than recovered, and closed higher- partly in sympathy with the strength in corn.

News on corn was also bearish. Receipts were even larger than last year. The fact that the Wickersham Report will come out tomorrow induced a great many shorts to cover.

Oats and rye also fluctuated but little.

We still believe that when the Farm Board heads find out they have made a mistake in their calculations as regards to wheat feeding, they will change their policy, as they must know that every enterprise which goes counter to the inner law of our civilization may affect the present but will fail in the future.

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NATIONAL METAL EXCHANGE

Jan 20th, 1931.

Liverpool cables were weak from start to finish- they paying no attention to our markets, and only very little to Winnipeg, but are entirely under the influence of the Argentine news, as the surplus there is very large and must be marketed, and of course as long as that country supplies such a large amount of their requirements, other exporting countries must follow sooner or later.

Winnipeg so far has remained comparatively firm considering the weakness of foreign markets, which are their only outlet, and we really do not see much change in the policy of the present management and the former Pool. Instead of getting rid of their wheat it seems to be sold only in a leisurely way, which does not get rid of their surplus, and if this policy continues there will be more wheat left at the end of the season than the old Pool ever had. For instance, this week the Canadian shipments were only 5,000,000 bushels of wheat, and considering that they almost have the whole wheat surplus left, having so fqr only disposed of their previous carryover, they must do better, or else they will be in bad shape again next season.

The United States exported only 668,000 bushels, which of course is very insignificant; the natural consequence is- increasing stocks, as the primary receipts are still very large, being today 907,000 bushels compared with 560,000 bushels last season, and shipments were only 442,000 bushels compared with 763,000 bushels. Stocks so far this week increased 325,000 bushels at Kansas City, Duluth and Minneapolis.

This is as far as wheat news is concerned, which of course must be construed bearish, and brought about lower prices. However, the wheat market is affected by a great many other things at the present time. At the opening there was some short covering on account of a contract made between the Farm Board and the millers, which is supposed to help our export business in flour. However, when it is considered that probably no flour can be exported unless the price is based on about 48¢ per bushel for wheat, this countract can be discarded as being valueless. Europe can buy flour made from Canadian wheat at about 48¢, which is just as good as ours, and it can also buy Argentine wheat at that price.

Then there was a statement out that a Bill was introduced in Washington- namely, the Capper Bill, which would authorize the Federal Farm Board to turn over to relief organizations 20,000,000 bushels of wheat to feed destitute persons throughout the country, and that the Farm Board will realize on this wheat at their average price. If by this is meant the average price at which they purchased their wheat, the Farm Board would profit considerably because present price is much lower, and the same amount of money will not buy as much wheat for the destitutes. Therefore, the Farm Board would profit at the expense of the destitutes.

Corn opened higher in anticipation of the publication of the Wickersham Report, which it was hoped would be a stimulant to prices. When the Wickersham Report first came out it looked as if it would rather favor the Wets a little, and the market had a temporary spurt. However, on mature reflection, it was concluded that the Report is out of the way now, and no matter what will be done it will not be done for a long time yet, and cannot have any possible affect on this crop. There were a great many bulges at various times on short covering for fear the Wickersham Report might change the situation. However, this being out of the way now, we think corn prices will go lower. The commercial demand remains poor, and primary receipts are keeping up.

Oats and rye remain neglected.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 21st, 1931.

Cables were somewhat higher today both at Liverpool and Buenos Aires, and our markets sympathised with this news to a trifling extent. The fact of the matter is, trade is so light now that big operators can no longer trade in wheat, as they cannot step into the market and out again without paying a big penality for it; the smallest transactions influencing prices.

The news continues to be bearish as it has been right along. Primary receipts of wheat were almost three times as large as last year, and shipments were lighter. The three markets which daily report on stocks, Minneapoli, Duluth and Kansas City, show a fair sized increase for the week, and it now looks as if the visible supply next Monday would increase again. In the meantime commercial stocks of wheat, as reported by the Department of Agriculture, and which include a number of points which are not included in our visible supply, show 201,000,000 bushels compared with but 175,000,000 bushels last year, or about 26,000,000 bushels more.

We do not believe that this situation can be relieved until we enter the export column, and of course, this is impossible unless our wheat prices should decline to about 50¢ per bushel, which would be in line with Winnipeg and Buenos Aires. We believe that from now on we shall daily feel this lack of export business more, and the pressure on the market will become greater all the while.

The trade in corn has also greatly diminished and fluctuations today were extremely small. Formerly a great deal of spreading was done between wheat and corn, which is now impossible, and until our markets become more subject to legitimate influences we look for only small fluctuations.

Rye and oats, which always have been minor cereals, as far as trading is concerned, are almost entirely neglected now.

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NATIONAL METAL EXCHANGE

Jan. 22nd, 1931.

Liverpool cables were reasonably strong again today, being influenced by the Argentine news, and continuation of heavy rains were reported from that quarter. This is quite natural as Europe expects to draw its largest supplies for the next five or six month from the Argentine. Usually after rain follows sunshine, and while the quality may be somewhat affected, we do not think rains for a few days will change either their situation or the world's situation. However, it had a temporary influence and Winnipeg advanced in sympathy. Here we were under the influence of different news; several statements came out indicating very plainly that at least it is the intention of the Farm Board to leave July wheat alone for the present, and probably they might for good unless conditions change very materially. This will not mean that the Stabilization Corporation will go out of business, as the law is still with us, and of course their large holdings will have to be marketed sooner or later, and plans for that will have to be formulated later on.

In the meantime, trade has dwindled down to next to nothing - total wheat trade amounting to 6,163,000 bushels yesterday compared with 37,842,000 bushels last year, and therefore the government is losing some of the War Revenue tax, which of course is a very small matter, but it just shows how far-reaching the effects are of unnatural conditions. It is not only telegraph and telephone companies, but indirectly rents and wages which at the present time are suffering to some extent. The only encouraging part of this whole business is that it looks now as if Washington recognizes the situation, and sooner or later will change its policy.

Primary receipts continue to be very large, being over 1,000,000 bushels; also stocks at various points increased very heavily, and to us it looks like another increase in the visible supply. It is considered that same might be something like 190,000,000 bushels at the end of this month, compared with 163,000,000 bushels same period last year and 107,000,000 bushels at the end of 1930 - it shows how much worse off we are this season than last year. It also must not be forgotten that the 130,000,000 bushels of cash and futures which the Farm Board owns are not entirely to be deducted from the visible supply, as it includes some holdings on the Pacific Coast - the wheat is owned from Maine to California.

Corn acted weak from beginning to the end. We believe the news which was cabled to some commission house here that there is a prospedt of the new Argentine crop realizing 390,000,000 bushels for export, had a great sentimental effect. Although we are not a large exporter of corn, we at times export quite a little by-products of corn, and if Europe can get its corn so much cheaper than we can, it naturally has a great effect on the sale of by-products.

Oats and rye also declined in sympathy with other cereals.

UHLMANN GRAIN CO.

WIRE - 'PHONE - WRITE
ORDERS TO
JAMES E. CAIRNS
1450 BOARD OF [illegible]
TEL. HARRISON [illegible]

DAILY MARKET LETTER

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NATIONAL METAL EXCHANGE

Jan. 23rd, 1931.

Cables were weak today before our session opened, and their close was still worse. In fact, the prices for the different futures were only a trifle higher than the lowest on this crop, which means practically the lowest for all times in recent history.

The Canadian Government report of yesterday, altho only showing 2,000,000 bushels more wheat than the last estimate, in our opinion is a very bearish document, because the crop has moved now for about six months, and at that the best six months for selling abroad; so we can come to some conclusion as to what the outcome will be . The carryover in Canada was about 131,000,000 bushels of wheat on August first, their crop year, or about 145,000,000 bushels on July first, our crop year, and with the exportable surplus for this season's raising of 300,000,000 bushels, they have to deal with about 445,000,000 bushels on July 1st. The clearances up to January 17th- in six months and two weeks- were only 134,000,000 bushels. Therefore, we figure about 310,000,000 bushels left for export and carryover.

Today's Bradstreet's clearances from the United States and Canada, wheat and flour, were only 5,600,000 bushels, and as the competition is getting keener now, both from Australia and Argentine, it is not likely that they will average from now on over 6,000,000 bushels a week from Canada alone- or in 23 weeks, about 138,000,000 bushels. Should this be the case, the carryover on July first this season would be much greater than last, and we do not believe it is good commercially to carry so much wheat from one crop to another, as carrying charges are too big, and it always hurts the price of the following crop. We, therefore, feel that from now on Canada must make an effort to dispose of larger quantities, which would mean lower prices.

While we are writing this, we still feel that their wheat is cheaper than ours, and spreads between the two markets will work out all right, as we feel that our market will decline faster than Canadian markets.

The United States, which is practically exporting nothing, naturally increases its stock; Kansas City, Duluth and Minneapolis so far show an increase of 1,180,000 bushels for this week. Primary receipts continue to be large and are about double what they were the previous season.

Corn not only sympathised with the weakness in wheat, but it led it several times. The feeling is intensely bearish; trade is of the opinion that it is selling higher than any other cereal, and much too high compared with wheat, if the July futures are taken as a criterion. In the meantime, with the May price stabilized there will be very little wheat fed. The commercial demand is poor, buying power is lacking, and we look for still lower prices.

This also refers to oats and rye.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
NATIONAL METAL EXCHANGE

Jan. 24th, 1931.

Liverpool cables came about unchanged today, which if there was any meaning to them as far as our market was concerned, might have been considered a little bullish, as we had declined yesterday. However, with their March wheat below 60¢ and our May wheat 82¢, they are so far out of line that they could be strong for many days and we could remain weak for long periods without there being much significance attached to it. In fact, we do believe that when July comes around, and with any kind of a crop where we must be on a shipping basis, Liverpool should easily sell 10¢ higher than us. We continue to recommend this spread between the two markets.

News here continues to be very bearish- primary receipts being almost double of last year, and the total for the week is 6,800,000 bushels compared with 3,161,000 bushels last season. The shipments were a little lighter, and part of the shipments go from one market to another as storage room is congested in various places. This naturally will lead to another increase in the visible supply on Monday; so far Minneapolis, Duluth and Kansas City have increased 1,379,000 bushels. We naturally expect that Buffalo will decrease and that Chicago will increase- the net should be a considerable increase compared with a fair decrease last year. If this is correct, than Chicago will be an exception to the last five or six years when we always had a large decrease during January, whereas the opposite happened this season. We feel that as time goes on the burden of carrying the enormous supplies will become too heavy, and that the market will be lower, particularly on July wheat.

The Winnipeg market was quite strong- closing higher. Of course, their wheat is much cheaper than ours, but yet we believe that even they have quite a problem in disposing of their enormous supplies, and if any purchases are to be made wewould recommend the Winnipeg October wheat rather than the earlier futures, as there is only 2¢ a bushel difference between May and October, and it costs 6 or 7¢ to carry it between these two periods.

Corn was weak from the beginning to the end- recovering only very little from the lowest price. The feeling is very bearish on account of great savings in consequence of the mild winter- there being less animals on feed, many substitutes are used; furthermore, the very cheap prices abroad have a sentimental effect, and all other cereals which can be used as substitutes are selling at very low figures.

Rye and oats continue to be neglected, but show a sagging tendency.

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NATIONAL METAL EXCHANGE

Jan 26th, 1931.

Cables came a trifle higher this morning, and our newspapers talk a great deal about the deficiency in moisture so far this Fall. While everybody admits that good snows or rains within the next 30, or even 60 days, would nullify all dryness up to date, yet it caused a certain hesitancy on part of short sellers, and this we think was the cause of some covering this morning. Of course, on the other hand, is the picture of tremendous supplies - visible supply increased almost 1,000,000 bushels, whereas it decreased over 2,000,000 bushels last year, and is now about 24,000,000 bushels larger. The one is certain, and the other very problematical- perhaps a 7 to 10 to one shot that we might get extreme dryness which would curtail our crop the following season.

Later during the session a report came out on the ticker from a Statistical Bureau predicting possibility of War between France and Italy; this boosted our market, but we hardly care to dwell on this- we think it is ridiculous to believe that a War is at all likely, that anybody wants it, or that it will take place. Therefore, we think this scare will be over tomorrow, and that wheat will decline again, altho probably we shall not get our very low prices until either the May deal is abandoned, or until we come nearer to the period of the crop where we can tell more definitely that there will not be an absolute crop failure.

Corn continued to be weak and sentiment remains very bearish, because the commercial demand is so poor. The visible supply increased a little less than 300,000 bushels compared with 900,000 bushels last year, but yet it is greater than it was then in spite of the fact that we raised a much shorter crop.

Oats and rye continued to be neglected.

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DAILY MARKET LETTER

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NATIONAL METAL EXCHANGE

Jan. 27th, 1931.

Cables were very weak today, but they had no particular influence at our opening, because in the meantime the Senate had passed the Bill, according to which the products of 20,000,000 bushels of wheat will be given away to drought sufferers, and of course, the Farm Board will be relieved of this quantity. Unless part of the wheat or flour will be wasted it should make no particular difference in our consumption, as the drought sufferers would not have starved anyway, and it should not affect the total consumption of the United States very materially. Later on wheat was also helped by the great strength in corn, but the wheat statistics continue to be very bearish, and all small matters ought to be ignored.

The Agriculture Bureau came out today with the actual clearances for the month of December, which were 6,727,000 bushels, wheat and flour, compared with 12,202,000 bushels last season. The importations this year were 1,330,000 bushels so the net exports for December were only 5,397,000 bushels. We have no record of what the importations were last year, but they certainly were smaller. Our exportations last year from January 1st to July 1st were 60,000,000 bushels, and of course will be very much smaller this season.

In the meantime, primary receipts are very big, about 300,000 bushels more than in 1930, and as long as this continues we do not look for any reduction in our stocks,

Corn was very strong during most of the session. The market had the appearance as though it had been oversold. The receipts are somewhat smaller, and it must never be forgotten that this year's corn crop was a very short one, altho it will go much further than usual on account of the amount of substitutes which is being used, and the economies which are being practiced.

Oats and rye sympathised with wheat.

DAILY MARKET LETTER

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Jan. 28th, 1931.

In spite of the fact that there were no rains anywhere overnight and predictions are for continued dry weather, our market opened very weak, the bearish feeling being brought about by the weak cables from both Liverpool and Argentina. It was reported that Russia had sold four or five more cargoes of wheat and Argentine wheat is pressing more on the market, and the longer the heavy shipments are delayed the larger they will be when favorable weather sets in.

With the fall in price of all Argentina's principal commodities, the value of exports for 1930 is only about five-eighths the value of those of 1929, because the balance of trade has swung around and her imports are greater than her exports. It is for this reason that her exchange rates have fallen so much. Therefore, Argentina must continue to sell her surplus, no matter what prices are.

Canada, being so much richer, is not forced to meet this competition; but yet we consider it a very great mistake that she does not do so. It is true the price is very low, but in holding back her wheat she will injure the price for the farmers in next year's crop, and in addition the carrying charges will be so big that they will eat up a moderate advance. We therefore believe that before very long even Canada will meet world's competition.

Then comes the United States. Official exports of wheat and flour from July 1st, 1930, to January 17, 1931, were 87,564,000 bushels and the importations were 12,000,000 bushels, or net exports 75,000,000 bushels of wheat. Last year the exports were 97,000,000 bushels, and the imports a little less than 5,000,000 bushels, or 92,000,000 bushels. So we have exported so far 17,000,000 bushels less on a crop which was 45,000,000 bushels larger than 1929, and even on last year's crop we increased our carryover in this country 28,000,000 bushels. Assuming everything would be the same, we would increase our stocks, therefore, this year 90,000,000 bushels, which of course will be largely offset by the extra amount of feeding, the quantity of which is anybody's guess; but increased by the lesser exports from now on.

Sooner or later we must enter the export column, and therefore unless something extraordinary happens, prices next season are bound to rule very low.

Starting next Monday we shall trade in September wheat and a great many who are afraid now to sell July wheat on account of the large farm board holdings will not have the same hesitancy about selling September wheat; and we look for a freer market to trade in.

As far as corn is concerned, we have tried our very best to emphasize the bull features and particularly the short crop, but it all seems useless, as it is apparently impossible just now to boost prices of anything with other cereals which can be used as substitutes selling at such low prices. The corn receipts are still very fair, normal demand is poor, and we are afraid it will be hard to bring about permanent advances.

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NATIONAL METAL EXCHANGE

Jan. 29th, 1931.

Cables were very indifferent today, hardly showing any change, but their July wheat closed at 62 3/4¢ about 4 1/4¢ under us. A year ago our July wheat sold 10¢ under Liverpool, and on the first of July at 11 1/4¢ under. During July, August and September we exported a fair quantity of wheat- had to sell it, and who imagines the situation will be any different this July when the crop starts to move; this will be a fact, even if the crop should not be such a large one. We have seen this year, that even though we had a short corn crop, the farmer had to sell some of his surplus, and it will not be any different in wheat when the time comes around. Therefore, we see no hope of the advance which took place today, to be permanent unless the whole world's situation changes, and at the present time we see no prospects that this will be the case.

Argentina, as a rule, increases its weekly shipments during February until it reaches the peak in March, and inasmuch as it has shipped very little, this year we predict will be no exception. Also Europe advises us that Australia is seeking outlets wherever possible, and is ready to cut prices whenever tu buyer shows up. European buyers are in such a position that they cannot be disturbed, and the pace at which sales are made by exporting countries will be ruled entirely by the needs for the moment and not by the price level.

Primary receipts here continue to be very big, and there is no sign yet of any let-up. As we go along in the season the burden will become greater and greater, and finally there is bound to be a day of reckoning.

Corn was just a trifle weak at the opening, but it improved immediately- it seems the market has been greatly oversold. However, considering the strength in wheat it cannot be called as yet a safe market for purchases; this undoubtedly will come later on.

Other cereals improved with the advance in wheat and corn.

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NATIONAL METAL EXCHANGE

Jan. 30th, 1931.

Liverpool cables responded only partially to Winnipeg's great strength of yesterday, and ours. Nevertheless, the Winnipeg market for a time was very strong, and this in turn brought about higher quotations here, but both markets weakened toward the end. The only explanation we received from Canada was that commission houses were buying but that export business was only limited, and we believe this to be the case, because as long as Argentina and Australia ship 9,000,000 bushels of wheat in one week Europe can take its leisurely way to make purchases for its requirements. It looks to us that almost every exporting country - Argentina, Australia, Canada and the United States are very vulnerable. Argentina and Australia, of course, must dispose of their surpluses, not having the facility to hold their wheat; Canada does not seem to see the importance of stopping these heavy storage charges, and if they do not get rid of their burdensome supplies they will prevent possible large advances next year. They seem to get excited every time they sell a little over a million bushels of wheat, forgetting that they have missed their opportunity to press their wheat on the market while the Southern Hemisphere could not do so, and as long as the United States was out of it. The best selling months for Canada are usually the first six months of the year, and not the last six months.

Take today again- the clearances from all of North American wheat and flour, were only a little less than 6,000,000 bushels less than last season, and the total from both countries 225,000,000 bushels since July 1st, compared with 180,000,000 bushels last year - or only 45,000,000 bushels more. Considering that the crop from both countries was 150,000,000 bushels larger than last season, and that even then they added to their surplus, it is very plain that the work so far done has not been satisfactory, as far as the selling end is concerned.

We figure that the United States has raised 200,000,000 bus. over their normal requirements- Canada 300,000,000 bushels more, or a total of 500,000,000 bushels, of which 225,000,000 bushels have been exported, leaving 275,000,000 bushels for export for the next six months, less the extra amount of feeding, 50,000,000 bushels, or a net amount of 225,000,000 bushels.

However, now we are coming into competition, as mentioned before, with all the other countries. Primary receipts keep up, and are 700,000 bushels larger than last year, and stocks are Minneapolis, Duluth and Kansas City continue to increase.

Corn was very weak, altho primary receipts are only about half the amount of last year, but the feeling is very bearish.

Oats and rye acted indifferently.

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Jan. 31st, 1931.

Liverpool cables were very indifferent today, and news on wheat in a general way was of the same tenor as right along. Primary receipts for the week show a movement of 7,271,000 bushels, compared with 3,500,000 bushels-last year--or double of 1930. We understand, altho we have not looked them up ourselves, receipts in Chicago during the month of January were the biggest in five years. All this would not be so serious if the outlook would not be for a continuation on the same lines. The fact is, that the wheat which is uusually exported at this time is now going to primary markets, and as long as the Farm Board prevents any exports, what else is there to expect. Any farmer knows that wheat is being kept artificially high, and naturally moves it to the market; the consumer has the same knowledge and buys from hand to mouth. How long such a condition will continue, nobody can tell, but we hardly think it will go into the next crop.

We are advised that those in authority and understand the situation fully are worried over the outlook, and are hoping that a miracle will happen to save the situation. Such miracles do not occur. It is planned to send out another acreage-reduction plea in the form of a letter to the Governor of North Dakota, but do not see what else the farmer can raise, and presuming even the Spring wheat acreage would be reduced 2,000,000 acres, which is certainly a high estimate, all the difference it would make would be about 25,000,000 bushels, and this would be only a drop in the bucket. We are accumulating now an extra 10,000,000 bushels a month, which ordinarily would be exported if the price would be left alone-and for what?

In another month we presume the Government will give us figures which will show that the farmer has only 15% of his crop left-5% is usually held because there are always some stubborn ones, who never sell, but if we protect 10% of the Farmers, 100% of the wheat growers next year will be hurt by the policy which is being pursued now.

Corn made another low record today, and the trade has no confidence in this cereal. However, the price is low, except when it is compared with other cereals, which are also selling at depressed prices.

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NATIONAL METAL EXCHANGE

Feb. 2nd, 1931.

Cables were a trifle lower this morning, and closed unchanged. However, they cut no figure- in fact, all foreign news is being ignored, as the March quotations for Argentine wheat, around 46¢, would attract attention, as naturally Europe buys its wheat where it can get it the cheapest, and all those who wish to sell will have to meet this competition.

The chief influence here this year is still the dry weather; while nobody really thinks that any serious damage has been done, they are all afraid that a continuation for any protracted period might be serious. There are no rains to speak of in sight, except at Texas where there was a good deal of moisture; a few other points mentioned a little precipitation, but nothing to amountto anything.

The old wheat situation is getting worse all the time; the visible supply increased over 700,000 bushels, compared with a decrease last year of 2,700,000 bushels. The primary receipts were 2,100,000 bushels, and a report from Canada shows only very small sales. The Old May wheat remains entirely neglected. September wheat at Minneapolis sold at 10¢ under their July, and these low quotations in the Spring wheat belt ought to bring about a reduction of acreage, but whether they will or not remains to be seen.

Another help to wheat was some strength in corn, and this cereal seems to be on debatable ground now. Nobody would have believed it would sell as low as it did on the short crop this season, and we may yet learn that the crop has been cut into very seriously, because while the commercial demand is not good, and this mild weather has saved a great deal, yet there must be an irreducable amount of consumption, which on such a short crop is still considerable.

Rye and oats remains ignored.

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Feb. 3rd, 1931.

Liverpool cables were a trifle higher than yesterday, following us and Winnipeg, and during the session they improved again also in sympathy with higher Winnipeg and Chicago markets. News otherwise was entirely colorless, and there was no further information on which any change of sentiment could be based. However, every day that it does not rain means new adherents to the bull side, and shorts gradually cover, giving the market a very firm appearance. This probably will continue for sometime- until something unexpected happens- either a break in corn, a decline in Winnipeg or snow or rain, but in the meantime trade will be extremely nervous. However, it can be partially attributed to the extremely light trading where fluctuations are easily influenced. Yesterday's trade in wheat was only about 9,000,000 bushels compared with 68,000,000 bushels last year.

Statistics continue to be very bearish; Bradstreet's visible supply increased this week 3 1/2 million bushels, compared with a decrease last year of 5,300,000 bushels, making a difference of almost 9,000,000 bushels. The present visible is now almost 450,000,000 bushels compared with 435,000,000 bushels last season- probably the largest at this time of the year, altho we have not yet checked the figures. Primary receipts were very fair again- almost 1,000,000 bushels, altho the discrepancy was not great compared with last year, as in 1930 also there was a good movement in February.

According to the latest reliable statistics, the extra amount of feeding was only about 50,000,000 bushels so far this season, and if this is the case, we are likely to have a carryover of about 325,000,000 bushels.

Corn also showed some strength - the chances are the decline has been overdone.

Rye and oats sympathised with the other cereals.

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Feb. 4th, 1931.

There was no special news of any consequence today on wheat. Liverpool cables came about as expected following our sharp advance of yesterday, and were somewhat higher. Canada kept comparatively strong, but the strength cannot be explained by large export sales, but there seems to be a tendency in that country to hold wheat, which we think will work to their injury in the long run. It gives Argentina and Australia an opportunity to dispose of their supplies, and next July they will have to figure again on coming into competition with the United States.

We have not the least doubt about the large quantities which are still left in Canada- it cannot be otherwise. They raised 100,000,000 bushels more than last year and shipped only about 60,000,000 bushels more so far, and even last year they increased their carryover. It now looks to us as if the United States might carryover 300 to 325,000,000 bushels of wheat- Canada 125,000,000 bushels, or more, so these two countries will have a carryover of almost 450,000,000 bushels; both countries together consume only about 750,000,000 bushels of wheat. Both countries raised last year 1,250,000,000 bushels, so it is apparent what might happen next year if these big supplies are not forced into consumption.

Wheat weakened somewhat on fears, or hopes, that rains might come within a reasonable length of time. There is really nothing much to indicate as yet that these will come about, but there are greater possibilities. There are predictions of possible rains in the Southwest and in Indiana, but so far the outlook is only for scattered precipitation. However, from the best information we can gather, there has been absolutely no harm done; on the contrary, probably there has been less winter killing so far than ever before, and this condition might even be preferable to rains which might be followed by cold weather so we might have freezing and thawing. Of course, it is not so good as a snow covering, which also would prevent winter killing.

However, in sizing up the situation at the present time, we feel that if we should have rains or good snows in two, three or four weeks, the drought will all be forgotten; but of course if it should never rain again, then the situation would be different. We call to mind the story of the conversation between the farmer and his wife. The farmer was very much discouraged on account of continued rains, and said, "Mary, do you think it will ever stop raining?" to which she replied, "Yes, I think it will". When he questioned her as to why she thought so she replied, "Because it always has in the past". According to Biblical record, rain has always been followed by sunshine; and vice versa, after a period of drought we always receive moisture. At any rate, it would be a good business risk to bet it that way.

Corn weakened on reports that terminal markets are offering this cereal in larger quantities, and the local concerns here have no trouble in filling their requirements.

Oats and rye continued to be neglected.

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Feb. 5th, 1931.

Cables today showed no change, altho Buenos Aires was weaker. Liverpool is probably influenced by the only very moderate Argentine shipments, but of course the smaller the shipments are now the heavier they shall have to be later on. As we know Argentina raised a very large crop, but on account of bad weather shipments will be delayed. Russia shipped again 1,400,000 bushels, and to that extent Canadian exports will be curtailed, as the other countries are bound to sell their wheat regardless of prices, having no facilities for holding, as Canada has. We here were influenced by a greater probability of rain or snow during the next 48 hours. The map indicates that we might have some moisture; there is no certainty yet that it will be in sufficient quantities to relieve the situation, but the probability is that there will be some relief.

Primary receipts continue to be large, and stocks in Minneapolis, Kansas City and Duluth show an increase of 901,000 bushels, so we conclude that the visible supply next Monday will either be about a stand-off or show only moderate decrease. This would compare with a decrease last year of 3,800,000 bushels, and it is quite likely that the visible supply will be about 32,000,000 bushels more than in 1930.

All this does not affect the May wheat price as the Farm Board holds sufficient quantities for the present to sustain same. Should we have any rain at all more attention will probably be paid to the fact that in all probability there was less winter killing than in many years. If we look over previous crops we find that the crops practically every year were over 800,000,000 bushels, except 1925, as follows:

1921 - 814,000,000 bu.
1922 - 867,000,000 "
1923 - 797,000,000 "
1924 - 864,000,000 "
1925 - 676,000,000 "
1926 - 831,000,000 "
1927 - 878,000,000 "
1928 - 914,000,000 "
1929 - 806,000,000 "
1930 - 850,000,000 "

Now in 1925 with the large amount of winter killing the winter wheat acreage was reduced to about 31,000,000 acres, so it is safe to assume that unless we should get a repetition of that, which of course is not likely, a crop of 800,000,000 bushels is more than probable. If that should be realized , with the enormous carryover, there will be a situation next July which will puzzle everybody.

Corn acted weak during the whole session, altho the declines were not very sharp; trade evidently needing a stimulant to lift prices. Nothing helps to advance values as much as a good consumptive demand, which is not existing at the present time. This was also the cause for the weakness and neglect in oats and rye.

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Feb. 6th, 1931.

Cables were just a trifle lower today, and were no influence to our market whatsoever. It seems the weather is the deciding factor now in the immediate trend of our wheat market. The drought has persisted so long that there is a feeling that we must have moisture before long, or otherwise there will be more or less damage.according to the length of time precipitation holds off. When traders looked at the weather map this morning and saw no rain to speak of they were greatly disappointed. The prediction for the next 24 hours was also not particularly to their liking, altho one could conclude that probably there would be some moisture, but not in such quantities so as to allay the anxious feeling. This kept our market very strong until late in the day. It was then reported that there is a snow storm extending over 2,000 miles starting in Alberta extending to Texas, which probably will give relief over the Southwest and middle West before very long. This caused a very sharp break in wheat and corn.

Very little attention had been paid to statistics, altho the statistical news was extremely bearish. Primary receipts continue to be very large- being over 1,200,000 bushels. Stocks at Duluth, Kansas City and Minneapolis have increased so far this week 1,252,000 bushels. Australia and Argentina shipments are over 8,000,000 bushels this week compared with less than 4,500,000 bushels last year same week, and of course unless the consumption increases very greatly these heavy shipments will be at the expense of Canada. This also seems to be confirmed by the very light clearances from North America, amounting to only 5,200,000 bushels, compared with 6,100,000 bushels last year, or a total so far this season of only 230,000,000 bushels, compared with 186,000,000 bushels. Probably Canada contributed this week about 4,500,000 bushels, which is a ridiculously small quantity for the time of the year. With crops in both countries 150,000,000 bushels larger, we have exported so far only 44,000,000 bushels more, and even last year the carryovers in both countries increased considerably. The large feeding this year, of course, cannot make up for this lack of export. In spite of this Canada sends very firm quotations right along, but they seem to prefer to pay storage charges and see high quotations than to get rid of their wheat- exactly the same policy which has been pursued now for five or six years, which had been so disastrous. One would imagine that they would give some thought to the future, and that in 4 1/2 months the United States might also enter into competition with their wheat, as probably the Texas wheat which cannot be shipped North must be sold for export, so their chance of getting rid of their tremendous surplus is only limited.

The matter is such a big national problem to handle, it is just as well to look ahead a little and see what will happen to the farmer next year if these huge supplies in Canada are not disposed of.

Corn was very strong for a while- this in spite of the fact that offerings to this market came on an enlarged scale, and that cash premiums are weaker; not until wheat declined did corn sympathised with it.

The trade in all cereals is so limited and so local that the news does not always have an immediate effect. Oats and rye continued to be neglected.

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Sat Feb. 7th, 1931.

Liverpool cables were reasonably strong today compared with the action of our market yesterday, but quite in line with the strength in Winnipeg.

A great many things are considered now in forming opinions about the future values of wheat; The first- whether and how long the Farm Board will continue its operations; then whether the weather conditions are favorable or unfavorable; then the action of the Liverpool market and the Winnipeg market, and also the declines or advances in corn have an immediate effect on values of wheat.

Now, as far as the Farm Board is concerned, the newspaper articles this morning created a rather bearish feeling, because it does not seem quite as easy to obtain the last $100,000,000 without conditions.

The weather did not satisfy either the bulls or bears entirely. There were some rains but not in sufficient quantities to allay all fears of the drought having been relieved. The long time prediction is very much the same- some precipitation during the week but no indication of a heavy downpour.

Finally the strength in Winnipeg and the strength in corn were the deciding factors today and caused our market to advance. The Winnipeg strength is difficult to explain. Of course, their July wheat is very cheap compared with ours on its merits, but it must not be forgotten that our July wheat is entirely artificial, and would never sell at the present price were it not for fear that the Farm Board would continue its operations. Canada has not the Government in back of it, and must dispose of its wheat- which they are not doing very rapidly. We still feel that if they should not dispose of their huge surplus faster they will be in a worse position than when the old management gave up the ship.

Corn statistics were bearish, receipts here were very good, and cash demand was poor, but the market had advanced steadily- probably the market had been oversold; so it is very plain that it is difficult from day to day to make predictions, but we still believe that statistics will be again very bearish on Monday, and that finally the weight of the wheat in all of North America will bring about lower prices. We have already explained the reason for the strength in corn- probably too many shorts.

Rye and oats continue to be neglected.

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Feb. 9th, 1931.

Liverpool cables were very indifferent and their July wheat closed almost 4¢ under ours. Liverpool after all is the greatest measurer of wheat values, as all exporting and importing countries look at their price, and are influenced by their buying and selling more or less. Canada seems to ignore this at the present time, as their May wheat and Liverpool May wheat are practically at the same price. We can find only one explanation to this state of affairs; namely, that Canada feels they can ignore present conditions, holding their wheat off the market and that conditions will so shape themselves that Europe will be compelled to come up to their level and buy their wheat. In this, however, we think they are mistaken, because from now on shipments from both Argentina and Australia are bound to be very much heavier than they were last season. When we look at the exports from Argentina and Australia for the year 1930 we find that as far as Argentina is concerned, they exceeded 3,000,000 bushels in only a few weeks, while in Australia they hardly ever were more than 2,000,000 bushels and they ran down as low as 500,000 to a million bushels. This year it will be an entirely different picture; so we expect only a continued slight decrease in supplies for the present in North America.

Our visible supply increased about 900,000 bushels compared with 3,800,000 bushels decrease last year, and is now about 33,000,000 bushels larger than in 1930. In other years similar week it was as follows:

1929	124,000,000	bu.
1928	75,000,000	"
1927	55,000,000	"
1926	42,000,000	"
1925	75,000,000	"
1924	64,000,000	"

Primary receipts are still very big almost 2,100,000 bushels; consequently stocks are likely to remain as they are now, or increase a little. World shipments today were almost 15,000,000 bushels of which North America furnished less than one-third, while in similar week last season North America furnished one-half.

A great deal of strength was also imparted to wheat thru the strength in stocks, and also corn showed a great deal of advance.

Corn still has many friends, altho cash premiums are declining, and have now declined for the third or fourth day. Receipts are also quite big, but the trade always remembers that the crop was a very short one, while the bears still have in mind that other cereals are selling so very much lower than corn.

Rye and oats sympathised with the strength in other grains.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX
NEW YORK RUBBER EXCHANGE

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141 W. JACKSON BLVD.
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 10th, 1931.

Liverpool cables were quite strong today, which was natural in consequence of the very bullish reports sent from here and Winnipeg yesterday. There was no particular change in the weather, and Winnipeg started quite strong at the opening. Europeans being heavy buyers, and we followed only reluctantly, but the Canadian markets continued to show extreme strength and we finally followed. Later a report was circulated, (afterwards partially denied, but nobody was quite sure of what was going on) that there was a revolution in Russia. This gave a new stimulant to prices.

In the meantime statistics continue to be as heretofore. Winnipeg is selling very little wheat and the United States practically nothing. Last week's exports, according to Broomhall, were only 545,000 bushels from the United States and 4,104,000 bushels from Canada- entirely insufficient to clear up the large stocks. According to the Daily Trade Bulletin, exports of wheat and flour from July 1st to date from all of North America were 241,000,000 bushels, and if we deduct 75,000,000 bushels from the United States and 20,000,000 bushels from Canada for the month of July, or 95,000,000 bushels, it would leave the exports from Canada from the first of August only 146,000,000 bushels of wheat and flour, when they had a carryover of 128,000,000 bushels; so practically the whole Canadian crop is yet for sale.

The great strength in stocks was also a bull factor, and of course while the fever is on prices are likely to advance, but there is no change in the over-production of wheat, and we therefore think that a readjustment will come before very long.

Corn showed weakness more or less during the whole session, but was partially influenced by the strength in wheat.

All other cereals followed in a reluctant way the strength in wheat.

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DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 11th, 1931.

Cables were very disappointing at our opening, and as soon as Liverpool found out that our market was weaker they lost all their advance and closed lower than yesterday. The foreign markets can easily be explained; Russia has been selling a great deal of wheat again, and Argentine and Australia must be in the market every day. We look for larger weekly shipments from now on from the Southern Hemisphere. Canada on the contrary, we think, will make a very poor showing, and we therefore think they missed their best opportunity. For almost eight months now the United States was not a big factor in the export business-Argentina and Australia had very little wheat left from their old crops, and this was the chance for Canada to dispose of their supplies, but their showing for the last month is very poor; from now on their prospects are diminishing and in a little while the new wheat will come on the market from the United States. But by that time we think there will be so much wheat left from the old crop in Canada that their position will be the same as last year, and they will sell it regardless of price. Canada has not the Government back of it as the Farm Board has here, and then they are paying storage charges just the same, and in the end will lose money as the old wheat pool did, because wheat is not raised to be kept from one year to another, but is raised to be sold. The farmer was happier when the former system was pursued; They will pay a big penalty for this carrying-over policy; they always figure on the market going up instead of merchandising their wheat in place of speculating on what prices will do in three or four months.

Statistics continue to be very bearish, primary receipts are very big, stocks in Minneapolis, Duluth and Kansas City so far increased about 1,000,000 bushels.

Corn receipts are quite fair, offerings from the country are big and the trade is very bearish, but any reasonable strength in wheat influences corn.

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DAILY MARKET LETTER

MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 13th, 1931.

News over the holiday yesterday was quite bearish; Winnipeg had declined 2 1/2 to 3¢ per bushel, and cables were also extremely weak- in fact Liverpool closing prices for July wheat show a price of 3 1/2¢ lower than ours, which if not corrected by July 1st when wheat commences to move will give us the most abnormal situation that anybody has seen.

The primary movement was also very big- over 2,000,000 bushels for two days; receipts in interior markets in Kansas- like Hutchison, Salina, Wichita and St. Joseph showed 480,[illegible]rs- something almost unbelievable. Stocks in Duluth, Kansas City and Minneapolis show an increase of 1,497,000 bushels so far this week, indicating again another increase in the visible supply; so there was very little comfort in the situation for the Bull.

Weather also was quite reasonable- there were scattered fair rains in many parts- not very heavy anywhere, but yet gave temporary relief, with prospects for more. The territory now which has been least favored lately is Western Kansas and Nebraska, but the wheat really has not been damaged any yet, According to the weather map things might change there also before so very long. Assuming that nothing extraordinary happens between now and the middle of March, the amount of winter killing probably will be much smaller than usual, so we shall enter the season with probably a very large winter wheat acreage, and as the prices are being held up pretty well in the Northwest the chances are the acreage there will not be reduced so much either.

The news from abroad is particularly discouraging inasmuch as Russia shipped again 2,000,000 bushels of wheat. It must not be forgotten that they were responsible for the extraordinary decline we had last Fall, and with the larger acreage than in 1930 they will become the most important factor next season.

We have a letter from abroad stating that India has a lot of native wheat hoarded away- possibly a surplus of as much as 35,000,000 bushels. In spite of this, Calcutta and Bombay, which are about 1000 miles away from the wheat growing areas are steadily importing cargoes of Australian wheat. This makes us think that India later on might become an exporter of wheat when their crop comes on the market.

The Bradstreet's clearances today were heavier than of late, being 6,694,000 bushels compared with 5,200,000 bushels last year, and the total up to date since July 1st is 237,000,000 bushels compared with about 192,000,000 bushels last year, or 45,000,000 bushels more. However, inasmuch as Canada and the United States together raised about 500,000,000 bushels surplus for export, from which 50,000,000 bushels should be deducted for extra feeding, there would be about 450,000,000 bushels for export, and if they have only exported 237,000,000 bushels there is still 213,000,000 bushels left for about 19 weeks, or 11,000,000 bushels a week. As they probably will not ship more than 6,000,000 bushels a week, our carryover next year will be correspondingly larger than in the previous season. If we figure Canada alone, and deduct from the 237,000,000 bushels exports from both countries- 75,000,000 bushels from the United States and 20,000,000 bushels exported in July from Canada, would give their exported amount as only 142,000,000 bushels, and as on August 1st they carried over 128,000,000 bushels, they would have shipped practically only 14,000,000 bushels of their new crop wheat.

Corn was weak all during the session. Primary receipts are very big, demand remains poor, and the feeling bearish. This also refers to the other cereals.

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DAILY MARKET LETTER

MEMBERS:
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sol Feb. 14th, 1931.

Liverpool cables were unresponsive today showing no change, and the news altogether was very colorless. It looked from the beginning as if speculation would be light, and this actually occurred. The only surprise was that in spite of the decline in corn and more or less weakness in our market for a lengthy period Winnipeg markets improved. When it is considered that Canada has very large supplies of wheat to dispose of, that information this morning stated that their export sales were very light; when furthermore we see that Winnipeg and Liverpool quotations are about the same price, the handling of the wheat operations is as difficult for us to understand as the Einstein Theory. No doubt the Managers of the Pool are fully cognizant of the fact that in a little over four months they will have to compete with new Texas wheat, that every time they boost the price some Australian wheat is sold to the Orient, which otherwise might come from Canada, and in the same way some Argentine wheat will go to Europe instead of Canadian wheat. The situation is getting worse every time they boost the price, which could be prevented thru proper hedgings, the same as other grain merchants do.

We have come to the conclusion that Canada will continue to operate the same as they did in former years, and not like the great merchant, Wannamaker, in 1921, when he had too much merchandise on hand and reduced his prices so as to tempt buyers. The consequence, of course, will be a tremendous carryover of Canadian wheat which will come into competition again next year with Russia; and with the huge supplies which will be still left over from Argentina and Australia, and with the great probability that the United States will also be a competitor, which it was not to a large extent this season. We, therefore, feel that a great danger is overhanging the market until these Canadian supplies are disposed of. The United States, of course, with the Government back of it can hold on much longer, but when the new crop comes on the market something must be done to relieve the situation, or else there will not be enough storage room left.

In the meantime statistics continue to be very bearish; primary receipts are very large, and in all probability the visible supply will increase heavily next Monday.

The long time weather prediction we consider quite favorable. If our conclusions are correct, there might be one or two fair general precipitations, which will also cover the Southwest; this is the only territory which has not been favored with moisture lately, so it would relieve the situation considerably.

Corn showed great weakness today, but when wheat finally advanced, influenced by Winnipeg, corn sympathised to some extent.

Oats and rye remained neglected.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 16th, 1931.

Cables were stronger than due today. This was about the only bullish item we could enumerate. However, to us it is a riddle why anybody should pay much attention to the trifling changes abroad. We, ourselves, thoroughly believe that Liverpool will finally gain 10¢ or more on us, and yet we feel bearish on the final outcome of wheat prices. It seems to us that until we come nearer to an export basis it will not cut much of a figure whether foreign markets advance or decline a cent or two a bushel.

Statistics here were very discouraging today. World shipments were over 17,000,000 bushels, compared with 12,000,000 bushels last year, and North America contributed only about 1,000,000 bushels more. Wheat on passage showed 51,000,000 bushels compared with 40,000,000 bushels in 1930. Primary receipts were again 1,800,000 bushels- considerably more than similar week previous year. The visible supply increased 2,000,000 bushels, compared with a decrease last year of 632,000 bushels, and is now over 35,000,000 bushels greater. The total is 194,503,000 bushels, which compares with 159,000,000 bushels the year before. When we think what it will be at the end of this year, even after deducting the 120,000,000 bushels which the Farm Board owns, we will still have a fair visible supply.
In comparison: On June 27th, 1930 it decreased to 107,000,000 bu.
In 1928 It was down to 38,000,000 "
1927 " " " " 22,000,000 "
1926 " " " " 12,000,000 "
1925 " " " " 26,000,000 "
1924 " " " " 34,000,000 "

Our reports fromEurope both by letter and cable seem to indicate that the demand for Canadian wheat will be very moderate as long as they keep their prices above the world's level, but we think the burden will become so great that some day they will be as anxious to sell their wheat as they are now determined to hold it back, waiting for some miracle to happen.

There have been good rains recently in the Ohio Valley, in Oklahoma and a good part of the Western country, with the possible exception of Western part of Kansas and Nebraska, but judging from the long time weather prediction that section may also have relief sometime this week.

Corn continued its weakness, receipts are very big considering the short crop and the demand remains poor.

There is also no improvement in the demand for oats and rye, which cereals remain entirely neglected.

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DAILY MARKET LETTER

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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 17th, 1931.

Cables were stronger than expected, and kept their strength up to the close of the market. We, ourselves, consider this quite a natural condition, as European markets are too low compared with North American prices. Evidently, however, this view is not shared by the Winnipeg people, as they do not take advantage of these bulges to dispose of their wheat- usually even going a little better; consequently, Winnipeg kept their strength all during the session. It almost looks to us as if the Pool hates to sell much wheat preferring to engage in the most gigantic speculation, similar to the one which is taking place in the United States. We here, however, are commencing to see signs that punishment for manipulating markets will follow soon. Of course, Canada will share the same fate finally when the banks again will become tired and force the sale of the wheat which was raised for only one purpose; namely- to be disposed of and not to make the elevatorman and banks rich, and pay storage charges and interest.

The cash market in Minneapolis was sick; May wheat went down to the stabilized price, and their July wheat sold at about 5¢ discount while so far it had been pegged at 4¢ discount.

Statistical news continues to be bearish; New York wired that the total export sales amounted to about 400,000 bushels. Broomhall divides last week's exports of 6,391,000 bushels as follows: 574,000 bushels from the United States, and 5,817,000 bushels from Canada. At this rate the United States would export only 10,000,000 bushels more for the balance of the crop, and the total exports would be only about 85,000,000 bushels. Canada's quota is also not big enough to reduce their stocks sufficiently, and at that we consider this was an extraordinarily good week, because it showed clearances of wheat sales which had been made several weeks before- and lately their sales were considerably less.

Argentine market has been closed for about two days, but will open again tomorrow. We continue to look for heavy shipments from there. According to Broomhall, there is an exportable surplus of 166,000,000 bushels of which very often about 70% is sold the first six months of the year; inasmuch as so far only about 20,000,000 bushels have been exported it would leave about 96,000,000 bushels more for the next 19 weeks, up to the first of July, or about 5,000,000 bushels per week. This, with Australia and Russia, will make Europe very independent.

Primary receipts continue to be big- being 1,058,000 bushels compared with 776,000 bu. last season. The first day after the visible supply figures came out, wheat stocks in Duluth, Kansas City, and Minneapolis increased again- a total of 658,000 bushels, making it possible again for the visible supply to increase this week.

Corn was weak right after the opening, but strengthened considerably. There was heavy short covering; the market seems to be oversold. News continues to be bearish, primary receipts being very good, and cash corn selling at big discounts. The farmer must sell some of his corn whether he wants to or not.

Trade in oats and rye was rather small with unimportant fluctuations.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.

Feb. 18th, 1931.

Cables were practically unchanged all day and cut no figure. Canada wires that export sales of wheat were very small, which we consider very important as we believe that the operations of the Canadian Pool are the greatest danger to any upturn, either now or in the future. It will be impossible to have a sound wheat market until these large supplies up there are being liquidated. The Pool has been in existence now for about six years, and every season they carried more wheat over than the preceeding one, and we do not believe this year will be an exception. If any private individual would operate that way, of course, he would be ruined because the carrying charges would eat him up. The result with the Pool we believe will finally be disasterous; it also has a secondary consequence- it enables the Argentine and Australian farmer to dispose of his wheat at better prices than he would otherwise be able to do, and therefore the acreages there will not be reduced as they might be. We think the time will come, and we hope it will be before the new crop comes on the market, when the Pool staff will see the light of day, and in order not to bring about a catastrophe, will dispose of larger shares of their present holdings, thereby saving lots of expense.

The statistical news here continues to be very bearish as stocks continue to pile up; the increases at Duluth, Kansas City and Minneapolis so far are 954,000 bushels for the week. Primary receipts are also very big- almost double what they had been last season.

Trade was extremely quiet, and in consequence fluctuations unimportant, but this might change anytime. Good soaking rains in the United States and in Canada would change sentiment very quickly.

Corn was a little weak at the opening, but firmed up on a bullish market letter by a very prominent and well-posted house, but later on it became known that light-weight hogs had a very sharp break and cash corn again went to the low discount under the futures- thus bringing about a reaction.

Oats and rye fluctuated but very little and remained neglected.

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DAILY MARKET LETTER

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MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 19th, 1931.

Cables were moderately weak today, and all the wheat news was bearish. Nevertheless after a reasonable decline at the opening wheat prices advanced and kept their strength during the whole session showing quite an upturn considering the smallness of the business. The advance was caused chiefly in sympathy with the Winnipeg market, which was strong all the time; also advancing prices in corn were a help.

As far as Winnipeg is concerned, all this occurred in spite of the fact that reports from there indicated that there was no export business of any kind. The export business for Canadian wheat has been very bad for about two weeks, and the action of the Pool is not quite understandable to us. It is only about three months or so ago when the Management was on its knees begging for help from both the Provincial Government and the Banks; they went thru a very serious crisis, all caused by having misjudged the market more or less during the last five years, and it was the presumption that the new management would conduct the wheat operations in a different way. In other words- pay more attention to world's markets and dispose of the wheat instead of speculating in enormous quantities. It is true, the same thing is now going on in the United States, but here the Government is back of the Farm Board, and has unlimited resources, which is not the case in Canada. We are fearful of the consequences whenever this Canadian wheat has to be sold, as it is out of line with foreign markets.

Chairman Legge made a number of statements today- one of them estimating the carryover at 275,000,000 bushels, or less; we believe it will be nearer 325,000,000 bushels, or more. Our crop was 851,000,000 bushels, our normal consumption 650,000,000 bushels, and with extra feeding this year of 50,000,000 bushels- 700,000,000 bushels; our exports probably will not exceed 85,000,000 bushels, so it would figure out about 341,000,000 bushels, including the 275,000,000 bushels carried over from last season. We believe that when the Government on March 9th gives us the available supplies in the most important positions it will be shown that we had more wheat on March 1st this year than we had in 1930; as last year we exported afterwards about 35,000,000 bushels of wheat and shall export only very little this year, it is plain that the carryower must be much larger than the previous season.

Chairman Legge also stated, but not positively, that the Government might own 200,000,000 bushels of wheat by the end of the season. Should this be the case, there will be plenty left, if the above figures are correct, for all purposes. Of course, with so much wheat being withheld from regular channels of different agencies, it is more difficult to guess the markets from day to day.

Corn was very strong, partially helped by a Bill which was proposed to put an embargo against importations of a number of cereals, which would also include Argentine corn, but it is doubtful whether this Bill will be passed.

Rye was independently strong in Canada, and we sympathised with it. Oats also showed great firmness.

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DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 20th, 1931.

Cables were quite strong today, both at Liverpool and Buenos Aires; they were influenced by our strength here af yesterday. Of course, Europe is buying very little just now from North America, getting their supplies mostly from the Southern Hemisphere and some from Russia; the pressure from these countries alone will not be sufficient until the additional weight from North America is added in larger quantities to the world shipments.

The trade here took inspiration from the cables and the market was very strong- particularly at Winnipeg, where the advances at times were quite considerable. Of course, when we look at Canadian prices we have to take into consideration that their #3 Northern wheat, which is very desirable wheat, is selling at about 9¢ under their May, or equal to 57¢, which is not a very high price, but from what we understand, the quality of the wheat in Canada was so good this year that the bulk of the stocks are in #1 and #2 Northern. #1 Northern wheat is selling FOB New York at about 68¢, which is way above the Liverpool May price; of course, it is also bringing a good premium there, but yet entirely out of line.

Otherwise, the news was very bearish, particularly the weather prediction, which would indicate that we shall finally get good rains or snows over a large part of the Western territory where they are needed the most. The Modern Miller also gives a very favorable report about the crop outlook, indicating that so far prospects for winter killing are almost negligible, which would mean that we shall start the new crop year with very favorable prospects.

Mr. McKelvie, in his speech, indicated that the Farm Board's operations this year were an emergency, and in all probability there will be no such sustaining of values on their part when the new crop commences to move, unless the crop acreage should be reduced, which of course will not be the case.

Primary receipts continue to be very large- North American clearances were very modest- 5,325,000 bushels which is about 1,300,000 bu. less than last week, and only a trifle less than last year. The chances are that Canada's share is less than 5,000,000 bushels- their share must be greater otherwise their carryover will be very much larger than in 1930.

During the last hour of the session corn became very weak and wheat sympathised with it to such an extent that practically all the advance was lost, except possibly in September wheat, which widened its difference between July, clearly showing that nobody is much afraid any more that July wheat will be on an artificial basis and interfered with by the Farm Board.

Corn news was extremely bearish; more corn was worked here from primary markets at the largest discounts on the crop, but after a while it became very strong in sympathy with wheat. Finally, however, the actual bearish conditions gained the upper hand and all the advance was lost; in fact, the market closed lower than last night.

Oats and rye had similar experiences- strong at times and weaker at the close.

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DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 21st, 1931.

Liverpool cables were quite weak today. The weather map was rather mixed- the trade had been prepared for a good deal of moisture over the West; it was only partially realized, but yet there was some relief and more predicted for next week sure, so both bulls and bears took comfort from the weather map. We consider weather conditions as very bearish, inasmuch as the temperatures have been so mild during the whole winter that we have not heard of any intention of abandoning winter wheat killed acreages, and the chances are that the amount of wheat standing will be larger than in 1930, provided nothing unusual happens after March 1st. For the period between now and the first of March normal temperatures are predicted.

The market never was very weak; the trade has been fooled so many times when selling on breaks that they are very careful and the short interest is not very large. Primary receipts are still quite heavy.

In the morning some reports were circulated that the Farm Board was offering #1 hard wheat at the Gulf at about 10¢ under our May. We did not care to spread this report until we received further confirmation, and upon inquiry our New York firm reports that a very large exporter positively confirms sales to both Antwerp and Rotterdam at about 10¢ under our May, FOB Gulf. We figured out that this is about 1¢ cheaper than #3 Manitoba wheat. However, we must add that the Farm Board is denying the sales, altho the other party is very positive that the transactions took place. Of course, we know that the Farm Board must sell before very long some of the Gulf wheat, as the ports are entirely filled up, and when the new crop commences to move, room must be made or else there would be a calamity and farmers would be unable to sell their wheat. Therefore, we are watching just what is happening, and if the United States now enters as an exporter when the whole world had figured that the wheat would be held off for some time, it will cause a very bearish feeling.

Corn opened weaker, but declines were not very sharp, and this in spite of the fact that the feeling is very bearish.

TRADE in oats and rye continued to be neglected.

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DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Feb. 24th, 1931.

Statistical news after the holiday was all bearish; on-passage stocks increased heavily, and this makes Europe independent as the wheat will soon start arriving. Clearances from North America were 4,785,000 bushels, and we think when distribution between United States and Canada is drawn that the Canadian clearances will not show much more than 4,000,000 bushels of wheat shipped, which of course is inadequate.

Newspapers have published figures showing there is a deficit for the present of about $23,000,000.00, which the Canadian Provincial Government guarantees to the Banks. This was caused because the Pool formed the habit each year of carrying the whole year's consumption from one year's crop to the next, which will probably be repeated again this year. This is so uncommercial that it practically means all of next year's crop is available again for export, on top of Russian winter wheat acreage showing an increase of about 5,000,000 acres. Nobody can carry a whole year's wheat crop from one season to another with the enormous carrying charges. We feel that it would be a much sounder policy if the Pool would sell about 100,000,000 bushels of wheat between now and the new crop, even at 5 or 10¢ per bushel cheaper-as the farmer would not be hurt much when the new crop comes on the market, nor would he be at the mercy of importing countries.

There is considerable wonderment in this market as to whether or not the Farm Board is selling wheat abroad. Reports from New York, which were current today, indiate that hard wheat which was recently sold was for the account of the Farm Board, altho the transactions were not made in their own name; rather this business was put thru by their representatives and it was reported that these offerings were made direct to U K millers. We do know, however, that the matter of storage will soon be a great problem; congestion exists not only in the interior but at the Gulf ports, and there is even wheat in barges in New Orleans for which room will shortly have to be made, as the Texas wheat is the earliest to move, and some of course will go right to the Gulf ports.

Conditions surrounding the new crop are highly satisfactory; rains in the Southwest over the two or three day holiday period covered a great deal of ground, and prospects are elegant. There was also news of moisture in the form of snow in Central Saskatchewan, which causes less apprehension in that part of Canada.

Meanwhile the visible supply is mounting- over 195,000,000 bushels of wheat in all positions, which is another record for this time of the year, and gives us about 38,000,000 bushels more than last year, which at that time was a record for the season.

Demand for corn was rather poor; there was selling early in this cereal, but showed less weakness than wheat.

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FORT WORTH GRAIN AND COTTON EX.

Feb. 25th, 1931.

Liverpool cables were weak altho the foreign market has shown a tendency to readjust with American prices. There is still a long road to travel, and as we have repeatedly stated, export business cannot be conducted actively until their market sells at a much more substantial premium over us.

From the tenor of foreign news we take it that there is fear of Farm Board selling from this side, and it is generally conceded now that the wheat which the Government owns cannot forever be kept off the market, so that sentimentally at least it is overhanging from a speculative point of view.

The primary movement of wheat is somewhat smaller than it has been running, and yet receipts are larger than last year. At the same time we do not believe that the visible supply can continue to increase at the rate which was recently established; nevertheless supplies are so large that even fair-sized shrinkages would be difficult to materially alter the present situation. The same is true in Canada as well as here, and we believe that if that country exported at the rate of 1,000,000 bushels per day they would just about get down to the carryover of last year, which was extremely large and proved to be a weight on the market.

There was some buying in sympathy with the strength at Winnipeg, and the continued bullish feeling in the stock market, which carried the September delivery to about 1 1/8¢ premium over july, which we consider wide for this time of the year. Finally there will probably be a carrying charge between July and September which will widen the difference further, but in the meantime if any foreign hedging comes into this market we think that it will be placed in the September contract.

Corn showed a better tone, and a slightly less bearish cash situation prompted short covering.

We consider that Winnipeg October rye is about the cheapest of all cereals. At the present price of 37 to 38¢ we believe that the Canadian farmer will plant very reluctantly, and therefore, recommend purchases of this grain.

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FORT WORTH GRAIN AND COTTON EX.

Feb. 26th, 1931.

News this morning was mostly bearish. Liverpool failed to respond to North American strength of yesterday, and export business was extremely light, with indications that Australia and Argentine wheat would soon be arriving, which would create fresh pressure.

There had been no rains of consequence overnight, but weather map experts thought that lows were developing in such a way to possibly bring more precipitation.

Markets turned mildly weak until about mid-session when Mr.Milnor published the policy of the Farm Board with reference to its selling plan. He stated that there would be no changes in so far as the stabilizing efforts were concerned, but that wheat in various Seaboard positions, including the Pacific Coast where the wheat could not advantageously be sold for domestic purposes, would be sold abroad, creating space for the 1931 crop. He further estimated that not over 35,000,000 bushels of wheat would be sold in this manner, which immediately caused a very bearish feeling, and confirmed reports which had recently been published in relation to the sales which had already been made. Inasmuch as many countries have an unsaleable surplus, and very large ones, it looks to us as though Canada particularly had missed her selling market, and had failed to take opportunity for orderly marketing, which from now on may not work. It becomes more apparent that those controlling the Farm Board policies are beginning to see the difficulties ahead of them.

We believe that the mild winter diminishes chances of winter killing, and that finally the acreage left standing might be larger than last season.

Primary receipts keep up on a large scale- today's being about twice as large as last year, and in spite of low prices news looks extremely bearish. We are prepared to see a very weak cable from abroad, and Liverpool might weaken badly after receiving today's news about Farm Board's intentions.

Corn shared some of the weakness of the leading cereal- the March delivery making a new low record, and other months also suffered in the general decline.

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FORT WORTH GRAIN AND COTTON EX.

Feb. 27th, 1931.

Yesterday's Farm Board selling policy was cabled to Europe and brought about the expected response in lower quotations. It was claimed in New York that Farm Board's sales, as far as learned, were light, indicating that greater sacrifices would have to be made to sell the wheat. We figure that it will be a difficult task to sell 35,000,000 bushels of wheat abroad during the next four months; every bushel sold will be at the expense of Canadian wheat, and consequently will have a marked effect upon prices. Australia and Argentina must sell regardless of prices. It is interesting to note that these two countries, plus Russia, shipped about as much wheat this week, as all countries did the corresponding week of last year, which leaves very little room for North America.

Bradstreet's Clearances today were only a little over 4,000,000 bushels, which is extremely light, and shows that North America is not doing the business. Since July 1st, according to Bradstreet, North American clearances were 246,000,000 bushels, which includes 20,000,000 bushels that Canada exported during July- or in other words, 226,000,000 bushels; of this amount United States furnished 80,000,000 bushels, so Canada has only exported since August 1st 146,000,000 bushels. They carried over 128,000,000 bushels- they raised 285,000,000 bushels over domestic requirements, making a total available of 413,000,000 bushels, and deducting the amount thus far exported it still leaves 267,000,000 bushels. If we assume that thru good fortune they are able to ship 5,000,000 bushels per week in the remaining 22 weeks- or 110,000,000 bushels, it would still leave for carryover 156,000,000 bushels at the end of this year, making another successive increase. It does not look to us as tho the Canadian policy of orderly marketing can work out.

Corn was very weak at one time, establishing new lows; room is scarce, and at Kansas City #3 mixed corn was offered at 9¢ under, with demand light on account of the open winter. Locals used their best efforts to bull corn and were successful in bringing about a rally from the low point.

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FORT WORTH GRAIN AND COTTON EX.

Sat Feb. 28th, 1931.

Liverpool cables were extremely weak and we understand from New York that the Farm Board is offering cash wheat abroad for shipment as far ahead as September. While the amounts sold are probably not large, still it keeps Europe nervous, and this together with the fact that Russia will be an important factor again next Spring will probably create weak markets right along in importing countries.

There was somewhat of a surprise overnight in weather reports- good rains and snows covered a multitude of stations, and we believe that even tho the weekly weather forecast does not indicate more moisture of consequence, there has already been enough to make prospects very satisfactory. We believe furthermore that with the extremely mild winter the amount of abandonmentwill be lower than in a great many years.

On Monday there will be several events- in the first place, deliveries on March contracts are expected to be quite substantial; the visible supply will probably show a slight increase, or at least not much of a decrease. Stocks for five days at Minneapolis, Duluth and Kansas City show an increase of nearly one million bushels. World's shipments will be considerably larger than last year, as we have pointed out that Russia, Argentina and Australia put about as much wheat afloat as all other countries combined last year. In the final analysis we would say that even if the Farm Board should be successful in disposing of 35,000,000 bushels of wheat thru export, this quantity would only be in line with the natural business that took place last year. But we have our great doubts as to whether this can be done with pressure coming from all other nations.

May wheat was under pressure during most of the session, and the nearby contracts were at the Government pegged price; this being true also in Kansas City and Minneapolis.

Coarse grains were quite weak at one time- new low figures being established in corn. The March delivery of the yellow cereal went into the 50's and oats went into the 20's, which is something that only the old timers had predicted. It is not as easy to make forecasts of price trend of these cereals, but if wheat continues to decline, as we think it will, the chances are that there will be sympathetic pressure on corn and oats.

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FORT WORTH GRAIN AND COTTON EX.

March 2nd, 1931.

Cables were indifferent before our opening session today, declining about as much as we had receded on Saturday, but they firmed up during the session. However, there was an array of bearish statistics today, which has seldom been surpassed, but the fact that wheat is already selling at a very low price, of course, minimizes the bearish feeling, and makes both longs and shorts more or less cautious. However, it has been our experience that as a rule price cuts no figure after an article has been once raised, and when conditions arise where it has to be disposed of. The Farm Board, as far as we know, has sold very little wheat, if any, overnight, and their present attempt to dispose of 35,000,000 bushels, in our opinion, will prove futile, the same as their arrangement with the millers three or four weeks ago unless they see the situation as it is; namely- they have to compete with four or five large exporting countries, and figuring back to Chicago, wheat is not worth more in competing markets than about 20¢ under our May while at the present time they are asking about 10¢ under May FOB Gulf Ports.

Primary receipts were again very big- almost double of last year, and the visible supply increased almost 1,000,000 bushels compared with 1,800,000 bushels decrease last season. The visible supply is now more than 40,000,000 bushels larger than in 1930; commercial stocks on the Pacific, which are not included in the visible, are much larger than they were then, and now the private experts estimate that the farmers' reserves are about 14,000,000 bushels more than in the previous season, thus showing very clearly that the amount of feeding was comparatively small. It also confirms our previous opinion that our carryover next season will be so stupendous that it will tax the ingenuity of the Farm Board and other grain merchants how to get rid of it. Starting on the basis that the 1930 carryover was 275,000,000 bushels it ought to be easily 325,000,000 bushels at the end of this crop year, provided the Farm Board can dispose of 35,000,000 bushels for export, which was about the quantity which was sold last year in the latter four months. However, they will soon have to start to sell the wheat in earnest at prices which will have to be tempting to buyers if they want to accomplish their result. If not, of course, the wheat will be sold at a sacrifice later at a lower price, and this will then demoralize the whole structure of wheat in every market in the workd when that time comes.

Canada seems to sell its wheat only in pitifully small quantities. Considering the herculean task they have before them to reduce their large stocks before another crop comes on the market. They, just like the Farm Board here, do not seem to know that if they want to get rid of larger quantities they have to come ahead of Argentina and Australia. We find that Argentine and Australian shipments for this period last year were very small, and from North America they were very large; consequently, it is not likely that North America will have the same opportunities as it had then.

To show what happened in North America last year--

On May 7th	shipments	were a little over	5,000,000	bushels
" " 14th	"	grew to	7,800,000	"
" " 21st	"	were	6,700,000	"
" " 28th	"	"	8,100,000	"
" June 4th	"	"	8,300,000	"
" " 11th	"	"	7,400,000	"

Estimates on farm reserves of corn were quite bullish today, but the fact that receipts here are larger than last season, and the further facts that discounts are very large and demand very poor could not prevent further declines.

Rye and oats, of course, sympathized with the general demoralixed feeling.

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FORT WORTH GRAIN AND COTTON EX.

March 3rd, 1931.

Cables were quite weak today and lower than due. We do not expect much encouragement from that side. There are four large countries- the United States, Canada, Argentina and Australia, not to speak of minor countries, like the Balkan States and Russia, which are anxious to dispose of their wheat, and which will, in our opinion, prevent any bullish enthusiasm on the other side. In turn, we believe that Argentina will be the most aggressive because they have to dispose of their wheat; then comes Australia who see the situation very clearly- the Goverment going so far as to give a bonus to expedite the disposition of the huge surpluses. Then we believe will come the United States, who finally awoke to the fact that the wheat cannot be disposed of here to good advantage, and must be sold abroad; lastly we believe Canada will press their wheat on the market. We still believe that Canada will be the last one because it has been her habit for the last five or six years- they never disposed of their surplus when there were active buyers, but always waited in the hope that some miracle would happen, like crop scares, etc.; they had a most wonderful opportunity to clean up last year when Argentina and Australia had poor crops, and they could have sold much larger quantities this year when the United States held off its supplies from the market and when there was lots of excitement about wheat feeding, but all this was missed and now they come into competition with the balance of the exporting countries.

Just think today Broomhall reports total clearances from North America 4,918,000 bushels- Canada's share was only 4,000,000 bushels, which is at the rate of 200,000,000 bushels a year while they had 300,000,000 bushels to dispose of, and every week that they do not get their share makes the situation worse. It also has the tendency to increase stocks everywhere. Bradstreet's visible supply shows the large figure of 462,000,000 bushels compared with 417,000,000 bushels last season.

Primary receipts in this country keep up and are almost twice as large as last year, with stocks at Kansas City, Duluth and Minneapolis increasing so far this week 621,000,~~000~~ bushels, foreshadowing another increase in the visible supply.

Our foreign reports today indicate that the Farm Board has made some sales abroad of Gulf wheat at 12 to 12 1/2¢ under Chicago May FOB Gulf Ports. This would figure about 69 1/2¢. The lowest cost on wheat shipped from Kansas City to the Gulf Ports, including fobbing charge, would be about 14 1/2¢, which figuring back to Kansas City, this wheat would bring about 55¢ Kansas City. This compares with the stabilized price at Kansas City of 73¢ for May. The Debenture Bill had been very much opposed by our President, but it is being tested now, as the essential feature of the Debenture Bill was to have one price for the surplus for wheat to be sold abroad, and another price for domestic purposes. It is very fortunate that this matter is being tested now so the results will be known should the question ever come up again. We also understand that wheat is offered at very low prices from

the Pacific Coast, interfering with Canadian wheat sales at Vancouver and affecting the Canadian price structure.

It also must not be forgotten that there are about 5,000,000 bushels of American wheat yet in Canadian ports which cannot be re-imported here and which must be disposed of abroad.

After an early break there was quite a little recovery- the market closing somewhat higher than yesterday; the same at Winnipeg. However, these rallies should not be misleading because, if we are correct that July wheat might finally sell at 50¢ when the new crop commences to move, it would only mean a break of about 14¢ per bushel in four months and of course the market cannot decline daily.

Corn after an early break also had a fair recovery. Opinions are very much divided as to the value of this cereal. Primary receipts are still very heavy and the demand very poor. However, when it is considered that cash corn is selling in Kansas City close to 50¢ and that the price to the farmer is in the low 40's at some points, it is not expected that this movement will continue for any length of time. We therefore could feel very friendly to corn were it not for the fact that we are so bearish on wheat.

Oats and rye continued to be thoroughly ignored.

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March 4th, 1931.

Cables were decidedly weak today coming lower when higher prices were expected following the upturn of yesterday. The weakness was caused by heavier offerings from Australia, and that country will be a menace for sometime to any sharp upturn. Argentina also usually follows with very heavy shipments this month- they usually reach their maximum during the month of March, and with the large crop they harvested this year it will probably be no exception.

Our own reports, and those which were confirmed from other sources, and also from New York, indicate that the Farm Board did not succeed in selling any wheat overnight, and acceptances of Canadian offers were also very small. We were further advised that outside of Antwerp there will be very poor markets for American hard winter wheats at the present price and discounts, and greater sacrifices will have to be made in the price if any large sales are desired.

Primary receipts continue at a very big rate; namely- 1,469,000 bushels compared with 725,000 bushels last year- about double; stocks at Duluth, Minneapolis and Kansas City increased so far about 791,000 bushels. However, we believe that the movement will be somewhat lighter as the incentive to get away from taxes has passed.

There were some rains and snows reported at various places, and also some snows in Western Canada, with more predicted. The weather conditions are extraordinarily favorable and much lower values for wheat were indicated. In fact, our market opened lower but immediately recovered when strength in corn developed. The trade is so small that prices do not accurately reflect conditions at all times. In the meantime stocks are accumulating as indicated by Bradstreet's visible supply, showing for this year and other years as follows:

1931 - 462,806,000 bushels
1930 - 417,256,000 "
1929 - 390,501,000 "
1928 - 308,309,000 "
1927 - 249,344,000 "
1926 - 212,453,000 "
1925 - 249,234,000 "
1924 - 288,609,000 "
1923 - 205,159,000 "
1922 - 177,096,000 "
1921 - 139,923,000 "

What puzzles the trade here more than anything else is the Canadian market- it almost looks that everytime they cannot sell any wheat abroad their market goes up as if they could force foreigners to buy. One would imagine that the Pool would take advantage and hedge some wheat to bring their market in line and get rid of their wheat. Their news was extremely bearish today inasmuch as moisture is expected overnight. Farm Deliveries were 479,000 bushels compared with only 192,000 bushels the year before.

Corn showed some strength and the extremely large discounts which had been prevailing for sometime narrowed somewhat. As we have expressed ourselves very often, we believe that at one time or another this cereal will sell considerably higher. Rye and oats continued to be ignored.

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FORT WORTH GRAIN AND COTTON EX.

March 5th, 1931.

Liverpool cables were rather weak today, as they were but little influenced by our late advance of yesterday. The news generally was bearish as there was some moisture in Canada, and a great deal of rain and snow predicted overnight, which if materialized ought to settle the moisture question for some time. In fact, we believe that there have not been many years when the crop outlook was quite as favorable as it is at the present time. Of course, this does not mean that we necessarily shall have a large crop, but the probabilities are at least that way when there is such a good start on the large acreage which will be left standing, considering the small amount of winter killing.

The cash news is also discouraging, as it is difficult to effect sales to mills, and the export demand is practically at a standstill, except what the Farm Board succeeds in selling at big discounts under our May. It was reported today that some sales were made to France at about unchanged premiums, but the quantity was not given and from what we understand it was in parcel lots and not of considerable size.

Primary receipts are still very large- being 1,435,000 bushels compared with 880,000 bushels last season; stocks continue to accumulate and increased so far this week 1,037,000 bushels at Kansas City, Duluth and Minneapolis, and this in spite of the fact that a great deal of wheat is moving away from terminals where room is very scarce to outside points and private elevators, which does not show up in the visible supply. With all elevators here so full that track deliveries might be invoked at any time, there is still in boats in Chicago 2,199,000 bushels wheat, 1,767,000 bushels oats, 1,894,000 bushels rye and 792,000 bushels barley. Inasmuch as owing to the mild winter there is less ice on the lakes than in many years, the chances are we shall have an unusually early opening of navigation, in which case room will have to be found for this grain which is now in boats.

At times certain operators sold quite a good deal of May wheat and purchased July wheat which tightened up the market and kept it firm, but later on when snows were reported in Nebraska the market could not hold its strength.

During the bulk of the session the Winnipeg market kept very strong, but also had to give way finally. Nobody here understands the strength in the Winnipeg market where they sell such small quantities of wheat considering their immense holdings, and it is the general impression that the Pool has not hedged a great deal of its wheat. This is contrary to what was expected, because the head of the present Pool is an experienced grain man and undoubtedly made his success by operating like all successful elevator men- by hedging his grain - anything else in the long run is bound to be disasterous. Banks here would not extend credit to any elevator man who they thought would not protect himself with the proper hedges, so that he will not suffer the whole loss when declines come.

Corn almost went thru the same experiences as wheat- being strong at first but declining afterwards; these two cereals act on each other becoming simultaneously strong and weak. However, toward the last they parted company and corn became independently strong.

There is no interest shown in either oats or rye.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

March 6th, 1931.

Overnight news was somewhat scanty; Liverpool came slightly higher than due, probably influenced by the comparative cheapness. At the same time New York reports claimed that they could find no trace of Farm Board export business, and Canada likewise claimed only limited takings.

The weather, however, proved to be the chief factor, with snows over various scattered areas, and particularly heavy in portions of Western Kansas and Western Nebraska where they are very welcome; the Panhandle of Texas was also favored, and as the day went on reports kept coming in giving us reason to believe that the moisture problem was definitely settled for some time to come.

The statistics of the day were about in keeping with what was expected and what we have recently experienced. The primary receipts about 1,300,000 bushels were almost double those of a year ago; Argentine shipments also about double of last year- being about 4,300,000 bushels, altho Australia shipped somewhat less than last season. Later on North American clearances were posted, and these made a very poor showing- they were only 4,000,000 bushels from all of North America, and if we were to guess that possibly 500,000 bushels was furnished by the United States it would leave only 3,500,000 bushels for Canada, which almost furnishes crying material for any sympathetic Canadian Pool follower. We have pointed out before that they would have to ship practically 6,000,000 bushels per week to get down to last year's carryover, and this seems to be not only out of the wuestion, but apparently is not being striven for.

Meanwhile talk arises, with no Official announcement yet, that the Farm Board is trying to work out a proposal so that the mills will be able to sell flour abroad on basis of world's markets. In other words, mills are to purchase their wheat from the Farm Board's holdings at current prices; after submitting proof that they have sold flour at a price comparable to which the Farm Board is offering export wheat they will be given a rebate between the price they paid and the price for which the wheat is selling on the world's markets. We believe that it will be just as difficult for the mills, under these conditions, to sell flour as it is for the Farm Board to sell wheat, unless of course further price cuts are sought.

Stocks so far at Duluth, Minneapolis and Kansas City show an increase of 1,400,000 bushels, indicating another possible increase in the visible supply, which is of course unusual at this time of the year, but not a surprise in view of stabilization.

We learned from a prominent grain man in Texas today that the milling consumption of that State is about 22,000,000 bushels per year; he figures there is in store at the present time at domestic points about 13,000,000 bushels, which does not include Galveston and Houston. Crop prospects in Texas are excellent on an estimated increase in acreage of 10 to 12%.

Under such circumstances, even temporary rallies seem improbable. However, as pressure may not develop until we approach the movement of new wheat, rallies may possibly occur from time to time in spite of the bearish situation prevailing.

Corn has merit and was quite firm all day- toward the last the weakness in wheat was somewhat of an influence, and possibly this state of affairs will predominate for some little time to come.

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FORT WORTH GRAIN AND COTTON EX.

Sat. March 7th, 1931.

Liverpool furnished no surprise to the extent that cables were as due. However, it is noteworthy that they seem to follow fully our declines in view of their comparative cheapness, and the fact that values abroad are just about on a parity with our own July wheat. When we look at the price in Buenos Aires at 48¢, and Liverpool May around 62¢ we try to forget that wheat is selling around 65¢ for the new crop in Chicago, because the price must be ignored to some degree when conditions are considered.

There are a great many operators right now who are bullish, and base their operations almost solely upon the fact that values are the lowest here in a great many years- they do not take into consideration, however, that in another fifteen weeks we may have a situation such as has never been witnessed before. It is already the tenth month of the 1930 crop year, and there seems to be no relaif from elevator congestion. Primary movement was again large- over 1,000,000 bushels, altho somewhat smaller than it has been running.

The heavy sleet and snows prevented wire communication thru parts of the Southwest, but we would judge that Kansas City, Minneapolis and Duluth together would increase about 1,500,000 bushels, which would give us another growth in the visible supply on Monday.

After the close the Government will make its estimate on farm reserves which likewise is expected bearish, so that from the viewpoint of supplies already on hand, and those in prospect, there is very little betterment in the outlook, particularly with the fine snows!

Winnipeg remains firm, but they also are influenced by the fact that the Pool probably does not hedge much, which makes their pressure light, and in spite of liberal exports reported from time to time clearances each week have so far been disappointing.

Those who are bearish on the market are in some instances discouraged because the market does not break faster; we take the position that even if 50¢ wheat will be realized by next July the market cannot give way everyday, and that from now on while declines will probably occur intermittently, it will probably come somewhat slowly.

Corn trade is light and that market has better possibilities for an upswing than wheat. However, speculation is insufficient at the moment to create much support.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

March 9th, 1931.

Liverpool cables were stronger than due today at the opening and they improved further during the session. The world shipments were not excessively large considering that non-European countries take a fair proportion, and as we have pointed out repeatedly, their wheat price close to our future for the July delivery looks very cheap, and a great deal of spreading is going on all the time. We know there had been new purchases made from here overnight, which may have partly accounted for the strength, but Argentine was also much higher. However, we feel that at one time or another Argentine shipments will become very excessive, as their crop was immeasurably larger than in 1930, and their shipments so far only a trifle larger. Even though they do not ship their wheat the first six months and hold it back the pressure will become then all the greater after July when we are in need of buyers so badly and at a time when our crop commences to move.

We understand that a cargo of Farm Board wheat was sold to Antwerp today- the price was given in foreign exchange, but as we do not know exactly at what price the freight was chartered, we cannot tell exactly how much the wheat netted here- but taking the current freight the price probably was 12¢ under our May. It is strange that so far no country in Europe has purchased any of this hard winter wheat except Antwerp, and only a small lot by France- both countries having an embargo on Russian wheat. We understand that Antwerp cannot absorb more than 300,000 bushels of wheat a month of this kind, as the price is comparatively high and only millers who like this quality will buy it- therefore, they may have enough now for several weeks.

There seems to have been but very little wheat shipped yet of the 35,000,000 bushels which the Farm Board contemplates to dispose of, as stocks at Baltimore, Galveston, New Orleans, New York, Philadelphia and Newport News together show a decrease of only 56,000 bushels, and the total available supplies at these ports are over 17,000,000 bushels. Of course next week may make a better showing.

Primary receipts keep up very large in spite of the weather- being 2,455,000 bushels compared with 894,000 bushels last year, and this leads us to believe that possibly the Government Report this afternoon might be more bearish. However, this will all be known before the session commences tomorrow, but if the figures are radical they may be quite an influence.

The visible supply is now almost 198,000,000 bushels, and practically 90,000,000 bushels more than it was at the end of June the past year, with 16 weeks to go yet; it is very certain that the decreases from now on cannot be large enough to bring the visible anywhere near where it was then.

The Canadian market was strong all during the session, but this is not due either to their situation nor to the fact that they are selling much wheat, because they are not. Their visible supply now is 20,000,000 bushels smaller than last year, but

3-9-31

as the farm reserves must be very much greater than they were the year before, there is no question in our mind that there is more wheat in Canada than there was last year. For instance in the week ending March 6th the farmers' deliveries were 2,774,000 bushels compared with 1,122,000 bushels last year. It is quite natural that the farmers should hold their wheat back.

The sentiment for wheat was quite bullish at the start, but the trade was light and when selling orders came on the market it did not take very much to bring about the decline.

Corn opened higher- receipts are decreasing- being only 890,000 bushels compared with 1,542,000 bushels last year, but the buying demand is poor, and this cereal also declined. However, we believe that the Government Report on corn will be bullish and that finally there will be very little of the old crop left, as from now on the weather probably will be the same as it was last year, and the savings will only be because substitutes are used.

Rye and oats continue to be neglected with very little fluctuations.

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FORT WORTH GRAIN AND COTTON EX.

March 10th, 1931

Liverpool cables were reasonably strong today- they being more influenced by the Winnipeg market and by the moderate offerings. Of course, as long as Canada and the United States are not becoming pressing sellers the pressure abroad will be only moderate and the spread which we recommended some time ago between Liverpool and Chicago is working very nicely. At one time Liverpool July wheat was 4¢ under ours and at the close tonight it is about 2¢ over; the normal difference would be 10 to 15¢ premium for the Liverpool wheat, depending very largely upon the price which has to be paid for Ocean freights.

The news in general continues to be very bearish. The farm reserves of 30,000,000 bushels more than last year, and the commercial supplies of 51,000,000 bushels more than in 1930 indicate perhaps 80,000,000 bushels more wheat than last season, and a probable carryover of 325 to 350,000,000 bushels of wheat.

Eveh assuming that the Farm Board should own 250,000,000 bushels of wheat there would be sufficient free wheat for all purposes, and we figure that as it costs \$40,000,000.to \$50,000,000.to carry such quantities of wheat for one year, it is not likely to be held off the market for that period and will come into competition with the new crop movement.

Primary receipts were again very fair- being 1,037,000 bushels compared with 755,000, bushels last season; stocks in Duluth, Kansas City and Minneapolis increased so far 576,000 bushels, foreshadowing another increase in the visible supply. Broomhall separates the North American shipments last week of 5,082,000 bushels as follows: 670,000 bushels from the United States and 4,412,000 bushels from Canada- Canada is falling way behind in their shipments, and there may be a situation some day which will affect all world's markets. No matter how we figure it their carryover is bound to be bigger than last year unless they ship more, and of course this cannot go on forever. Assuming that the Pool pays only storage and interest charges on 100,000,000 bushels of wheat, they would have to pay out for one month about \$1,500,000.00, and if they would sell only 20,000,000 bushels a month it would add 7¢ a bushel to the cost of that 20,000,000 bushels.

Bradstreet's visible supply decreased only 1,050,000 bushels compared with 2,413,000 bushels last year. The farm reserves are particularly large in the state of Kansas- being 24,000,000 bushels. On the first of January they were supposed to be 40,000,000 bushels, so in spite of the heavy movement they have not decreased so very much, showing that there is hardly any special wheat feeding going on.

The Government Report on corn was rather bullish, as the farm reserves are the lowest since 1902, but the cash demand is so poor, also the speculative demand, that after the first bulge prices declined. However, we believe that this is the time of the year when receipts should drop off, and at one time we shall see a much better situation in corn.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

March 11th, 1931.

Cables were decidedly weak this morning and under ordinary circumstances we would have had a good break in wheat prices, both at Winnipeg and Chicago; more perhaps at Winnipeg as they depend so largely on their export business while here at least we have another good buyer outside of the consumptive demand and the export business- namely, the Farm Board. However, Winnipeg was only a trifle lower and during the session recovered sharply, showing quite a fair advance, This was brought about in spite of very small sales abroad, and an unbearable situation considered from a commercial standpoint-- namely, large quantities of wheat which will have to be carried at an enormous cost, and which finally must be sold in competition with Argentine and Australia; when it is considered that the Argentine May future is about 10¢ under Winnipeg it will not be an easy job.

Statistics here continue to be bearish- primary receipts at 1,157,000 bushels are large in themselves, but more than double those of last year, and stocks are starting to increase again; Duluth, Minneapolis and Kansas City increases amounting so far this week to 897,000 bushels. We also had a weak stock market, but the trade is so light that a little support by local speculators lifted prices above last night's level. Bulls also cannot succeed in obtaining great results, so it is about a standoff. Our July wheat is practically the same as it was 10 days ago, and fluctuations in the meantime have been very small.

Reports about sales on part of the Farm Board to Europe are contradictory; our own reports state there was nothing sold, but Broomhall mentions the sale of 20 loads or more. However, it may have been previous sales, as he added it was done during the last day or two. The basis, if anything, was a little poorer at 13 3/8¢ under Chicago May. Again the wheat was sold to Antwerp and Marseilles- Belgium and France seem to be the only countries who for special reasons pay these prices at the present time, which are high compared with other wheats.

Corn statistics continue to be bullish; primary redeipts being only 436,000 bushels compared with 1,114,000 bushels last year. This possibly may be due to bad weather, but we believe that the corn movement will diminish from now on, and believe corn has some merit.

Oats and rye again fluctuated but very little and excite no interest whatsoever.

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FORT WORTH GRAIN AND COTTON EX.

March 12th, 1931.

Cables were decidedly strong today- not only at the opening, but they firmed up somewhat during the session. Europe is somewhat disappointed at the small Argentine shipments; it seems that country is also holding off its supplies with the inevitable result that more will have to come forward later on than otherwise. However, Russia, including the Black Sea, shipped again about 2,000,000 bushels, so there will be plenty for Europe to get along nicely with the knowledge that more is to come later on whenever there is the slightest disposition to meet prices.

Primary wheat receipts continue to be large here- being more than double of last year, or 1,181,000 bushels compared with 571,000 bushels last season. The stocks at Kansas City, Minneapolis and Duluth so far this week increased 1,278,000 bushels. In spite of all thiswe had a very narrow market, shorts still being nervous about putting out large lines, and as all cash wheat is being taken care of by the Farm Board there is no actual pressure; this naturally will come later on when the new crop moves.

It will be about three and on-half months more until we shall be confronted with the approach of the movement of the new crop. It behooves everybody in the grain business to have some vision of what the situation is likely to be then.

We figure that on about July 1st the United States will still have unsold about 350,000,000 bushels of wheat; Canada 150,000,000 bushels, which makes a total of 500,000,000 bushels. Assuming that we shall then raise a crop of the size of last year, which was neither a bumper crop nor a crop failure, and amounted in both countries to 1,250,000,000 bushels; consumption in both countries is 750,000,000 bushels; so on a crop equal to that, there would be 500,000,000 bushels raised for export, and with the carryover of over 500,000,000 bushels there would be available for export and carryover one billion bushels. Inasmuch as the world's import requirements in all countries seldom exceed 800,000,000 bushels there would be sufficient wheat in North America to supply all world's requirements and yet leave a carryover of 200,000,000 bushels which would be plenty.

However, there will be Arg entina, Australia, Russia and sundry countries who will also want to participate in the export business. This year so far we have supplied only about 50% of the world's requirements; therefore, it becomes quite clear that the problems of moving our wheat next year will be worse than this year, and therefore efforts should be made already to move whatever can be done before Russia comes again in the market with its offers next Spring.

The Canadian market held comparatively strong, but their prices are entirely artificial inasmuch as only small quantities can be moved, and it looks to us as if the Pool would have to face another heavy loss, because carrying charges eat up all profits they might make from what they pay to the farmer and what they realize abroad.

Corn receipts are getting lighter, as we predicted- primary receipts being only 416,000 bushels compared with 696,000 bushels last year, and shipments 407,000 bushels- equalling almost the receipts. Corn had a firm undertone, but when wheat weakened it sympathized with it.

Oats and rye continued to be ngglected.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.

March 13th, 1931.

Liverpool cables were very weak today, so were those from the Argentine, and of course Canada which depends entirely upon export business and has not the Farm Board furnishing the money, felt the effects first and was weak all during the session. We kept comparatively strong with very small fluctuations until finally corn broke, and more bearish news filtered in.

The Modern Miller says that reports on winter wheat continue favorable for this time of the year, with very little winter killing, good surface moisture in practically all sections, and also some addition to sub-soil reserves. It also mentions heavy snows over parts of Canadian Provinces, relieving the situation considerably. Primary receipts, while for the first time in a long while under the million mark, were still about 300,000 bushels larger than last season. Stocks in Kansas City, Duluth and Minneapolis continue to increase, showing 1,710,000 bushels so far this week- making it quite probable for another good increase in the visible supply, which would compare with over 2,000,000 bushels decrease in 1930.

Clearances from North America were a little over 5,000,000 bushels compared with 6,500,000 bushels last year, and the total this season only 255,000,000 bushels. Assuming the clearances will continue at the rate of 5,000,000 bushels a week- or 75,000,000 bushels to the first of July, it would give us shipments from North America of 330,000,000 bushels, while there was over 430,000,000 bushels raised for export, even assuming that 50,000,000 bushels extra wheat should be fed.

What worries exporters in the handling of grain more than anything else are the disappointing clearances from the Sea Ports since the Farm Board started on its selling campaign of 35,000,000 bushels. All the clearances we could find today were from New Orleans- 24,000 bushels- the total probably less than 250,000 bushels in two weeks. At that rate it would take the Farm Board one month before it could sell 1,000,000 bushels. It seems they have not made up their mind yet to meet the market. Now, we all agree with the Farm Board that the Sea Ports must get rid of their stocks or else we will be in a position when the new crop commences to move where we cannot make any price for the purchase of wheat, and the farmer if he wants to sell to country elevators will be told that he will have to haul his wheat back again because the elevators are all full. We are very much concerned about the Farm Board carrying out its objective plan of selling 35,000,000 bushels of wheat. Of course, in order to do so we think they will have to reduce their price to about 50¢ a bushel in Kansas City; we also know it is a very unpleasant task to buy on the same day in one market the identical wheat at 73¢ in Kansas City and sell it at 50¢, but as promises have been made and must be kept, and as the wheat must be sold to avoid chaos, nothing else can be done.

We believe there is a very long interest in Winnipeg futures outside of the cash wheat which the Pool is holding, and of course, this will have to be liquidated also; they may be wise enough to come to the conclusion that the sooner they do it the better for them until the Farm Board here interferes with their selling. Therefore, there is danger ahead from that quarter.

Corn was very stubborn during the greater part of the session, and in spite of light receipts feeling remains bearish on account of the poor demand at the present time. There are many bulls at heart, but it seems the time is not yet ripe for much of an upward movement.

There is hardly anybody interested in oats and rye, which continue

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

March 14th, 1931.

Liverpool cables were weak again today; at their close they were only about 1 to 2¢ a bushel higher than the lowest point which they had reached on this crop which also means about the lowest during the last few centuries. It is very seldom that we have any bull movement in wheat except when we have crop scares or a very urgent demand; neither of these are in sight now- the crop looks very wonderful at the present time, and with a fair start in moisture do not see that anything much could happen in the outlook for the next two or four weeks. As far as the demand is concerned, we can see no possibilities of it becoming urgent, as long as Argentine, Australia and Canada have so much wheat to dispose of, and also the United States being anxious to sell 35,000,000 bushels of wheat- not to mention Russia, which is likely to be a factor again on a large scale when navigation opens.

Inasmuch as everybody seems to be very much interested in the results of the Farm Board's efforts of disposing of the wheat which is at Atlantic, Gulf and Pacific Ports, and as the Farm Board is not furnishing figures as to its actual sales, we are trying our very best to keep the trade posted as far as information is available. We called the trade's attention to the first sales which we made on Feb. 21st, or about three weeks ago. We now are advised that the total sales at Antwerp so far were 240,000 bushels, also a small quantity was sold to France, particulars of which we hope to be able to obtain by Monday, together with the charters which were made on the Pacific Coast. The total amount seems to be very small at the present time. No sales overnight of Farm Board's wheat could be traced, but as our May wheat does not change, every decline in the other futures will make it that much harder to dispose of any large quantities.

Primary receipts continue to be large- being 923,000 bushels compared with 487,000 bu. last year, or almost double. The stocks at Minneapolis, Duluth and Kansas City so far this week increased 1,947,000 bushels indicating a good increase in the visible supply on Monday. The trouble, of course, all comes from the large world's crop, which was 297,000,000 bushels greater than the previous year- not figuring Russia, and that country will have to be taken into calculation in the future.

The Winnipeg market was particularly weak today, which is easily understood, as according to Sanford-Evans they had available for export and carryover on March 7th to August 1st 246,000,000 bushels, and assuming that they sell 5,000,000 bushels a week in 21 weeks, or 105,000,000 bushels, there would still be left 141,000,000 bushels, or much more than last season. However, it is not likely that they can dispose of 5,000,000 bushels a week unless they reduce their price further.

Corn held comparatively strong, and we have repeated so often the good statistical position that we need not dwell on that today. Receipts are light and while July corn may look high compared to July wheat, it is the May wheat which counts, and the farmer is looking at the price which he can realize on his wheat compared to corn; of course it pays him better to ship his wheat and feed his corn.

Oats and rye were also weak.

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FORT WORTH GRAIN AND COTTON EX.

March 16th, 1931.

Liverpool cables followed our Saturday's decline, and it is quite significant that their price which is almost as low as it had been at any time on this crop, can still go lower whenever we show weakness here. The statistical news continues to be very bearish. There were no Farm Board sales reported overnight. Best information we can get regarding Farm Board's sales up to date since Feb. 21st, which we are assured are authentic, are as follows:

Total sales to Antwerp - 240,000 bushels
" " " France - 40,000 " or 280,000 bus.

to Europe. The freight brokers and steamer Agents unanimously declare no Chinese bookings whatsoever. The total sales to Japan were not over 5,000 tons, or about 180,000 bushels of which about 50,000 bushels were Montana Dark Northern Spring.

We also figure that the average exports for the last six years were about 144,000,000 bushels. Assuming that we are correct in our estimate that the carryover this year will be 350,000,000 bushels, we would practically have enough wheat for export for the next two and one-half years at this rate, and would have to provide only for home consumption and the normal carryover.

On February 21st, when Farm Board sales started, prices compared with now as follows in other markets; Liverpool May 66¢, now 61 1/2¢; Winnipeg May 63 3/8¢, now 58 1/2; Buenos Aires May 52 3/4¢, now 48¢, and Chicago July 68 1/4¢, now 62 1/2. Consequently instead of selling Gulf wheat at 10 to 12¢ under Chicago May, they would now have to sell at 15 to 17¢ under Chicago May to equalize declines in the world's markets.

Primary receipts of wheat were almost 2 1/2 times as large as last year, and the visible supply increased 1,836,000 bushels, compared with 2,168,000 bushels in 1930. This makes a difference in one week of 4,000,000 bushels by comparison. The total visible supply is now 199,700,000 bushels, compared with 153,500,000 bushels last year, or 44,000,000 bushels larger. Last year after this date the visible supply decreased until the end of June 46,000,000 bushels. How much it will decrease this year until exports increase is a great question. The various Atlantic and Gulf Ports decreased this week only 291,000 bushels. Assuming that the 291,000 bushels which were cleared all belong to the Farm Board they must have been buying daily as much, or more, and we do not think that the process of accumulation can go on forever like this

The fluctuations today in wheat were rather small; privileges prevent sharp advances or declines unless something extraordinary should happen.

The feeling in corn is rather friendly, as this is the time of the year when receipts normally decrease, but nevertheless the visible supply increased. However, we feel that this cereal has merit.

Oats and rye continued to be neglected.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

MARKET LETTER

March 17th, 1931.

Wheat cables were disappointing today as Liverpool hardly paid any attention to Winnipeg's and our bulge of yesterday after they had closed, and the actual prices are hovering around the lowest price of this crop year, which means the lowest in centuries. This naturally caused a weaker feeling, but the trade is very timid, and sharper declines were only established when corn also gave way and declined.

There was very little news- it is the same story over and over again; primary receipts keep up at a very imposing rate- being 1,015,000 bushels, which is certainly very good for a Tuesday, and compares with 627,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis so far this week increased 593,000 bushels, and our visible supply now promises to be over 200,000,000 bushels next Monday.

Broomhall divides last week's exports of wheat and flour from North America as follows:

650,000 bushels from United States
3,960,000 " " Canada

Our exports for the last eleven weeks average 736,000 bushels; so far they do not show any increase since the Farm Board started its activities a little less than a month ago. The Canadian shipments of 4,000,000 bushels are disappointing. On March 1st. Canada had an apparent surplus of 249,000,000 bushels since which time they shipped about 9,000,000 bushels leaving 240,000,000 bushels for export and carryover. Assuming they continue until the first of August at the rate of 4,000,000 bushels a week for about 20 weeks, or 80,000,000 bushels, it would still leave a carryover of 160,000,000 bushels, which would be very much larger than last season; even on basis of 5,000,000 bushels per week up to that time they would again increase their carryover for the sixth year in succession.

Corn showed some strength early in the session, there having been a bullish feeling carried over from yesterday, but when receipts showed about as much as last year and no great decrease as yet, the feeling became more bearish and prices declined rapidly.

Oats and rye continued to be neglected.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

March 18th, 1931.

Wheat cables were construed as being weak today- Liverpool prices declining almost to the lowest on the crop, and in spite of the fact that Liverpool July wheat is only 1¢ higher than ours they seem to follow declines as willingly as advances.

Export business overnight from what we can learn was extremely small both in Canada, as well as here from the Atlantic and Pacific Coasts. Primary receipts continue to be very fair- being 902,000 bushels compared with only 519,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis so far this week increased 763,000 bushels. It is true the primary receipts are showing a falling-off compared with last week; we believe that this will continue to be the case- we have had a heavy movement now for nine months and it is quite natural that the last three months should show decreases. We believe there will be no great additional burden for the Farm Board from now on, but we think accumulations up to date are heavy enough to make everybody think.

Importations of wheat to grind into flour in bond from July 1st up to Feb. 28th amounted to 13,783,000 bushels compared with 6,775,000 bushels the previous year. The visible supply in Canada on March 13th was about 188,000,000 bushels compared with 204,000,000 bushels the year before, or 16,000,000 bushels less. However, as undoubtedly farmers' holdings are that much larger, or more, we must assume that there is more wheat in Canada than there was in 1930, with poorer prospects to sell on account of heavy shipments from Argentina and Australia. The Canadian visible supply decreased 18,000,000 bushels since January 23rd, which is not a very large quantity considering the amount which is still left.

Fluctuations were extremely light and not important, as the smallest amount of trading affects prices.

Corn which had been so weak yesterday showed considerable strength during the greater part of the session, but the advances were only moderate.

Trade in rye and oats continued to be on a very small scale.

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FORT WORTH GRAIN AND COTTON EX.

March 19th, 1931.

Liverpool cables on wheat showed very little change, being up a trifle; news from there was also very scant. The only really important item today was the report from Broomhall that Russia had shipped 2 1/2 million bushels of wheat. This is a very large quantity for Russia to ship at this time of the year, and considering that the World has adjusted itself to get along without Russia, it just takes that much demand away from other exporting countries- chiefly Canada. The regular routine news was much the same as right along.

Primary receipts being heavy- about twice as much as last year and clearances of United States wheat amounted to only 80,000 bushels from New Orleans. Stocks at Minneapolis, Duluth and Kansas City are still increasing- the increase so far this week being 1,100,000 bushels, which foreshadows another increase in the visible supply on Monday. This probably will be the last increase in the visible on this crop, but the decreases during the following fourteen weeks probably will not be sufficient to bring the visible down to less than 180,000,000 bushels, which would compare with 107,000,000 bushels at the end of the crop year of 1930.

Trade is extremely quiet and the smallest transactions influence the price. May wheat is practically ignored, with hardly any fluctuations.

Corn was also a trifle lower- reports coming from the Southwest that there will be another movement, and as Nebraska has as much left as last year, or more, this is not impossible. Corn has many friends but there is no buying power at the present time, and advances usually only come with crop scares, or great consumptive demand; neither of these possibilities exist at present.

Other cereals like oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

March 20th, 1931.

Liverpool wheat cables were rather indifferent today, and we do not expect sharp fluctuations in that quarter. Price of wheat is so low there that it is not likely that it will decline much, and supplies are so large in other countries where Liverpool can draw from that we do not look for any sharp advances. The situation here is different, as both the United States and Canada are compelled to export large quantities to relieve the situation, and for the present are still allowing other countries to get ahead of them. For instance, Argentine, Australia and Russia shipped this week 11,179,000 bushels compared with 2,727,000 bushels in 1930- or 8,400,000 bushels more, which is practically all at the expense of Canada and the United States. Now clearances from North America of both wheat and flour were only 4,369,000 bushels; it is true they are about 800,000 bushels more than last season, but considering the quantities which both countries have to sell they are very small, and possibly does not leave more than 3,500,000 or 3,700,000 bushels for Canada, which is entirely insufficient for that country if they wish to carryover less wheat than last year; and last year we all know the consequences of the big carryover were disasterous when the new crop commenced to move. The fact that in spite of this their price is holding comparatively steady can only be explained thru the fact that probably the Pool has very little wheat hedged and their trade is extraordinarily small. When we consider that in the big world's market - Chicago - we traded yesterday in only 7,600,000 bushels of wheat compared with about 35,000,000 bushels last year, we can easily imagine that Canada's trade must be very light, and that prices can be easily influenced without regard to conditions.

We touched new low prices today- September selling down to 61 3/4¢ and the July wheat sold only 1/4¢ above the inside figures of the season. This brings us down now to levels which have not been reached since 1895.

Primary receipts of wheat today were again very large- about three times as much as last season-- or 1,209,000 bushels compared with 391,000 bushels last year. We expect a continuation of heavy shipments from the Southern Hemisphere- particularly from Australia- last year the average from Australia was 1,264,000 bushels weekly after this period until July 1st.

There was no special corn news except that primary receipts were again larger than in 1930, and have not yet shown the dropping-off which was expected. Fluctuations were extremely light.

There is no interest shown at all in oats and rye, which can be easily illustrated by the fact that trade yesterday in rye was only 47,000 bushels compared with 4,300,000 bushels last year, or just a little over 1%; the whole trade in oats also amonnted to only 481,000 bushels.

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FORT WORTH GRAIN AND COTTON EX.

March 21st, 1931.

Liverpool wheat cables were a trifle higher following our late bulge of yesterday. Our market had about the narrowest range in sometime.

There is no question in our mind that Canada has over-stayed its market. According to Broomhall the surplus of Canadian wheat for export on March 14th was about 226,000,000 bushels, which also agrees with figures which we have compiled. Assuming that for the next 20 weeks they would ship 4,000,000bushels of wheat a week - or 80,000,000 bushels- they would carry over 146,000,000 bushels of wheat, or almost 1 1/2 years' home consumption, and the new crop depends entirely upon exports. Neither Australia nor Argentine will have finished moving their crops by August first, and the United States cannot afford again to add to its surplus.

Canada had two chances this year to move larger quantities of wheat; first- when the Argentine crop movement was delayed, and then when the United States held its surplus off the market, but neither of these situations were taken advantage of; it is too bad that the Canadian farmer, who raises the finest quality of wheat, should suffer to such a large extent on account of the policy which has now been pursued for six year; always speculating in future values instead of merchandising the wheat in a commercial way, and the Pool's failure to protect itself with hedges like every other successful grain merchant.

Primary receipts today were 931,000 bushels compared with 443,000 bushels last year, or twice as much. Stocks also continue to increase in Kansas City, Duluth and Minneapolis- showing so far this week an increase of 1,264,000 bushels, and in all probability we shall have another increase in the visible which will compare with a decrease last year of 2,300,000 bushels.

There were no export clearances posted from the Atlantic or Gulf Ports. In order to show how far we are out of line for normal export business, we were shown some figures where theoretically wheat could be imported all the way from Rotterdam to Chicago at a small profit were it not for the duty.

We had most glowing crop reports from the Southwest today, and we believe when the next Government report comes out it will show a very small abandonment of acreage and a very high prospective yield.

Argentine March wheat closed at 44 5/8¢, probably a new low record; May wheat at 47 5/8¢ What a comparison with our May wheat at 81 3/4¢ for old and 82 3/4¢ for new.

Corn market was somewhat lower - trade being disappointed that receipts are still in excess of last year in spite of the much smaller crop.

Nobody takes any interest in oats and rye.

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March 23rd, 1931.

Statistics over the week-end had been expected bearish, and to that extent were no disappointment. World shipments were over 16,000,000 bushels, which was almost double those of last year, and the amount contributed ty North America was only 4,654,000 bushels, or slightly in excess of 25%. The primary receipts were again large- being 1,337,000 bushels against 571,000 bushels last year, , or over double. In corn also the primary movement was large- receipts totaling 1,264,000 bushels, which was also larger than last year. At noon the visible supply figure was published, showing an increase of 2,000,000 bushels, and brings the grand total now up to 201,700,000 bushels, which is over 50,000,000 bushels more than 1930- at which time it was considered extremely large.

The outstanding feature, however, in the grain trade today was the statement made by the Farm Board that they had no intention of stabilizing wheat prices for the 1931 crop. This, in our opinion, is practically an acknowledgement that stabilization has been a failure. It is only too sad that this conclusion could not have been foreseen in view of past experience that the world has had in stabilizing prices of sugar, rubber, coffee, etc. However, better late than never, and we think that this is the beginning of the end so far as the grain trade is concerned; our view being that we are on the way to a free and open market, which in the long run will be of greatest benefit to the farmer- he will profit more by it than anybody else.

We need only remember what happened in 1895 when prices were about the same level as now, and yet three years later wheat sold at $1.75, the situation having corrected itself without any Government interference.

We must picture the future according to latest information. Without Farm Board interference the new crop will, of course, sell at the world's level. Nobody can tell exactly what that will be because so much will depend on how crops turn out all over the world; at the present time prospects are not only for a normal crop, but possibly a bumper crop, but many things can change before the crops are harvested.

In the meantime we must take Liverpool prices as a criterion, and based on the Liverpool parity wheat in Chicago should probably be selling at 50¢ per bushel, and we think it will tend in that direction. At that price of course there might be a tremendous speculation and people might be willing to carry wheat, even with the carrying charge, for years knowing that such price is below the cost of production in many territories, and which in time is bound to correct itself.

When finally exporting countries revert to a normal basis we think that Winnipeg, on account of its superior quality, will easily sell at 5¢ premium over Chicago; and we recommend that spread. We also have the greatest confidence that Liverpool will finally sell at a normal difference over Chicago, which is probably 10 to 15¢ per bushel- depending upon Ocean freights at that time.

Corn naturally suffered in sympathy with wheat, but if the demoralization in wheat continues we see little hope for the yellow cereal.

Oats and rye sympathised with the other grains.

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FORT WORTH GRAIN AND COTTON EX.

March 24th, 1931.

Liverpool wheat cables this morning were weak, even lower than they were due, but they recovered a little toward their close. We think Liverpool market is low enough and the prices which they are paying now for wheat from the Southern Hemisphere must be so low that any further declines should, at least, have a tendency to hold their wheat back. However, the damage has been done- the whole world has over-produced, has large stocks at the present time, and while probably declines from now on will be very slow, we see nothing yet to give encouragement on the buying side.

Primary receipts are still keeping up- being almost twice as large as last year, and with the assured knowledge now that there will be no support in the July wheat, the tendency will be for everybody who uses his brain to ship out the old wheat as fast as he can, which ought to give us heavy receipts right up to the time when the new crop wheat moves. There is no inducement on part of anybody to hold now.

Last week's clearances of wheat, according to Broomhall, are divided as follows: 650,000 bushels from the United States and 4,000,000 bushels from Canada, which goes to show that the Farm Board has made very slow progress in their program to dispose of 35,000,000 bushels before July 1st.

We believe that from now on wheat and cotton will act and react on each other; both of them have been artificially kept up thru Farm Board actions and thru Farm Board money. If more money is needed for wheat there will be less left for cotton, and vice versa. Comparatively speaking, cotton is selling at very much higher prices than wheat, and we believe that with no further support on part of the Farm Board cotton will gradually sell lower, and we think we would rather sell cotton at the present time than wheat. Stocks of cotton are unusually large- also the carrying charge is big.

Corn lost all its best friends today when receipts again were larger than last year, and when the demand showed no improvement.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

March 25th, 1931.

Liverpool wheat cables were stronger than due today. The latest statement on part of the Farm Board how from now on they expect to handle the selling of old cash wheat was construed as bullish. The policy which was announced was in effect as follows: Up to April 10th the price of #2 hard wheat will be 82 1/2¢, and from then on it will gradually be raised; the carrying charge being 1/2¢ per bushel every ten days. We, ourselves, see nothing bullish nor bearish in this policy. We do not think that the Farm Board owns all the available cash wheat, and therefore if their prices are too high the merchants and elevator people will again be competing and be able to sell the wheat at a commercial profit of whatever it brings. In any case, it will neither increase nor decrease consumption; the only final effect it might have is that if the Farm Board does not meet normal competition they might at the end carry over a little more wheat than they would otherwise. However, the fact that the Farm Board is determined not to let old wheat prices decline created a more bullish feeling, and we opened considerably higher and advanced moderately during the session- the close being about 1¢ above last night's close.

In the meantime world statistics should not be forgotten because in the final outcome they will make the price, and we therefore point out the following: The world's visible supply on March 20th was 464,000,000 bushels compared with 410,000,000 bushels on March 20th, 1930; the chief increase was in the United States where the visible supply was 50,000,000 bushels larger. Canadian wheat stocks on March 20th were about 186,000,000 bushels compared with 201,000,000 bus. last year, or 15,000,000 bushels smaller. This, however, does not include stocks in farmers' hands, and as they are undoubtedly much larger, and as the farmers' sales are very much greater every day than the year before, we figure there is more wheat in Canada at the present time than there was in similar period last season.

We hear a great deal about the increased demand from non-European countries. In looking up the records we find that in 38 weeks the total importations of ex-European countries were 116,000,000 bushels, and inasmuch as Russia alone shipped 85,000,000 bushels of wheat this year, with practically none in 1930, this extra ex-European demand was not sufficiently felt, particularly as Australia also with its bumper crop furnished more than its usual share

We were also advised that Shipton, Anderson & Co., Liverpool, acting for the Farm Board sold a few loads #1 hard winter wheat afloat for Liverpool at about equal to 19¢ under Chicago-May FOB the Gulf- this figures about 63¢ Gulf or about 5¢ lower than the last sales we reported. This wheat was actually afloat before the sale was made. So apparently some wheat is being consigned unsold.

Figuring this wheat back to Kansas City it would net about 50¢ a bushel at Kansas City, or about 23¢ under the stabilized price. We feel that the Farm Board must get rid of 20 to 30,000,000 bushels of wheat Gulf and Atlantic Ports before the new crop moves, and this will interfere very much with sales of Canadian wheat.

3-25-31

We consider 63¢ at the Gulf a very low price compared even with our July wheat at 60 1/2¢. Just at the present time there is very little difference in Ocean freights between Atlantic and the Gulf; ordinarily New York freights are cheaper, and we believe wheat ought to bring 2¢ or 3¢ per bushel more at Atlantic Ports. Even if wheat in July should be worth 65¢ at New York, it would not be worth more than 50¢ or so here in Chicago. We do not look for anything very radical either way at the present time. The price finally will depend a great deal upon the outlook of the crops. Inasmuch as the United Kingdom ordinarily takes almost one-third of our wheat which importing countries purchase, this including ex-European countries, of course, the price at Liverpool shows more world's conditions than any other market. Consequently, we must come to the conclusion that the world considers at the present time that 63¢ at Liverpool for July wheat is about a fair value, unless some major changes should take place. Therefore, we cannot expect any permanent improvement unless Liverpool prices advance.

Corn receipts are still keeping up, but it seems to be hard at the present time to depress price of this article, and this is the time of the year when corn has a habit of advancing easier than declining.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

March 26th, 1931.

Liverpool prices showed hardly any change, and we were advised that the trade is taking more interest just now in the races than in fluctuations of wheat, for which we do not blame them because the variations are so infinitesimally small.

We had a wonderful weather map overnight- there were rains almost everywhere, and in consequence prices opened lower. There was, however, a strong feeling for the old crop futures- shorts gradually getting out since the Farm Board's statement came out that they will raise the selling price on the cash wheat. This in turn affected the sentiment of July shorts, who still wonder where wheat will come from in July for delivery if the old wheat is all locked up. We, ourselves, have no concern on this point. We think with the combines now it is reasonable to expect there will be a very heavy movement in July, and furthermore, if we are not on an export basis this year all Oklahoma wheat will move North. They have a rule in effect now at Kansas City where track deliveries can be made six days before expiration of their future, and consequently,,there could be track deliveries in Kansas City on the 25th of July, and this wheat could all be shipped by special trains to Chicago and be here for track deliveries in July. Hardly think with the large Farm Board holdings anybody would be anxious to pay for any wheat in July at a premium over September, particularly as August wheat is already being offered at a discount. We still think that July wheat will finally sell at a good discount under September, say about 3¢ inasmuch as it cost 3 1/2¢ or more to carry the grain.

In consequence of these spreading operations July wheat was the only wheat which was strong- September being very weak at times. Also Winnipeg showed no great strength, so we hardly expect that Liverpool cables will come higher tomorrow.

We were advised that a few more loads of wheat on the Ocean were sold today at Liverpool, netting the sellers about 18 1/2¢ under Chicago FOB Gulf.

Our crop prospects are simply wonderful, and we would not be surprised if when the next Government Report comes out about April 9th that the condition will be over 90 compared with 77.5 last year, or more than 12 points better, with a probable reduction of only 3% for abandoned acreage on account of Winter killing. This would give us an acreage of about 1,500,000 acres more standing than last year, and a crop promise of over 650,000,000 bushels.

Late in the session a report came from Canada that an announcement was made, according to which no advance will be made on next season's crop without first calling a special session of the Legislature. It looks as if Canada and the United States both at the same time will abandon the pegging of wheat prices, giving us a free market. This caused a very weak feeling toward the close at Winnipeg.

Primary receipts continue to be big- being 746,000 bushels, compared with 330,000 bushels last year, or almost double.

Corn showed reasonable strength at times in spite of receipts being almost as large as last year- 565,000 bushels compared with 576,000 bushels. However, the hope is still existent that these receipts cannot keep up very much longer considering the shortage of the crop.

Rye and oats continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

March 27th, 1931.

Liverpool wheat cables showed no tendency whatsoever- neither overnight nor during the session, and they were no influence. The new factor overnight was the Government Report on the probable acreage of Spring wheat. According to their guess the Spring wheat and Durum wheat acreages will be decreased more than the trade had expected- almost 3,000,000 acres. However, as there probably will be very much less Winter killing, the Winter wheat acreage is likely to be 2,000,000 acres more than in 1930 of what there will be left standing. So the total decrease, even in that case would probably not be more than 1,000,000 acres.

The weather was also a great factor; there were snows and rains almost over the whole territory- both Spring and Winter, which of course is very beneficial. But temperatures were very low at places and there was the fear that possibly there might be some damage on account of too low temperatures. Our own advises are that where the temperatures were very low, in Texas, there was a great deal of snow protection; furthermore, the territory which had the lowest temperatures is located in high altitudes of Texas and the crop much later, so there is no jointed wheat- consequently, probably no damage has been done.

Then again a great deal of attention is being paid to the new selling policy on part of the Farm Board for the old wheat, and as they will gradually raise the price it keeps the May wheat strong, which in turn influences the July wheat. A great many commission houses advocate the spread of buying July wheat here and selling the September. However, we do not share this opinion, and believe the opposite spread will make the money. We base our belief on the fact that no matter how much old wheat is tied up there will be plenty of new wheat in July.

In order to show how the July movement of new wheat has gradually increased since the combines have been working, we show below the movement to primary markets the first four weeks in July: (The final 000 is left off.)

4 wks July	1930	1929	1928	1927	1926	1925
Primary Rects. Bushels	80,060	75,449	64,328	54,049	56,106	31,956

At the same time, exports of wheat during the month of July have been as follows:

	1930	1929	1928	1927	1926	1925
Exports bushels	16,187	13,575	7,064	11,943	19,651	8,775

So last year enough wheat moved to primary markets and for export to amount to 96,000,000 bushels. In addition to this, there was the ordinary movement which went direct to the mills; so it is more than likely that the total movement in July was over 150,000,000 bushels of wheat.

Now we are advised that on June 1st freight rates from Oklahoma to Chicago will be largely reduced on an average of 3 to 3½¢ a bushel; and of course if July wheat is kept on an artificial basis or premium above export, movement will all be to Chicago.

If it is furthermore taken into consideration that in Kansas City, without any new laws or regulations, wheat can be delivered on track on July contracts 6 days before the expiration of the contract, there probably will be enough wheat on track to ship some of it to Chicago for track delivery here three days before our option expires.

In the meantime, primary receipts of wheat compare very favorably with last year, and today were 768,000 bushels compared with 414,000 in 1930.

Europe will remain independent as long as Argentina, Australia, Russia, and the Black Sea ship about 10,000,000 bushels of wheat, which they did this week. Total clearances of all United States wheat for the month of February were only 137,000 bushels, perhaps 1/100 as much as Australia disposed of. Bradstreet's clearances of wheat and flour from both the United States and Canada were a little less than 5,000,000 bushels. Probably Canada furnished only about 4,250,000 bushels, which does not reduce their stocks fast enough; and we think their market is commencing to feel this inactivity in exports. Their wheat at no time showed great strength compared with our market, and they have a great problem ahead of them.

The government estimate on the corn acreage was as bearish on that cereal as it was bullish on the spring wheat, and corn at times showed great weakness. However, the price is pretty low should there be any crop scares, and we think caution is required in selling at the present level.

Oats acreage also is likely to be increased, but this article as well as rye remains very much neglected.

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FORT WORTH GRAIN AND COTTON EX.

Sat

March 28th, 1931.

Liverpool wheat cables showed but very small changes and were no factor today. However, the weather map was extremely favorable- rains and moisture everywhere with more predicted for next week. The present weather is just what is wanted; it is much better than higher temperatures because the plant is reasonably well advanced, and it is much better to have it held back for a while.

There were some fears yesterday that damage might have been caused on account of some very low temperatures in a few sections, but these fears were dissipated, and it caused an absolute absence of buyers, with the result that the market declined very easily without extensive sales.

Inasmuch as the greatest interest is shown now as to what will happen in the month of July in case the Farm Board should decide to stick to its wheat holdings and not sell any, we have looked up last year's receipts at various markets during the month of July, with the following result:

Chicago	received	9,101	cars
Omaha	"	8,935	"
St. Louis	"	9,486	"
Kansas City	"	22,131	"

The receipts did not get to be really big until about July 7th which came after a number of holidays following July 4th, when there were 475 cars in St. Louis and 2,548 cars at Kansas City. In Chicago as early as July 14th they reached 382 cars and they were big every day thereafter. With the combine machines working now July wheat can no longer be considered an old crop future.

Stocks of wheat at Duluth, Kansas City and Minneapolis increased this week 903,000 bushels, and as Buffalo undoubtedly will show a decrease, also a few other points, we would not be surprised if the visible on Monday would show a small decrease for the first time in a long while. However, this would compare with a decrease last year of about 1,800,000 bushels. During the month of April the decreases last year were very large, which we do not think will be repeated this year unless there is more export business.

The May wheat is still holding above the stabilized price, but the difference between July and May wheat now being 22¢, there is every inducement for the farmer to dispose of his wheat and for the consumer to hold back on his requirements, and this finally, we believe, will give us enough stocks even in May so that the stabilized price will go down to 81¢, or lower, if permitted. There is certainly no inducement on part of the Farm Board to pay higher prices than they have promised should they find they have not bought sufficient to maintain the market.

Sanford-Evans estimates that there were available on March 21st in Canada for export and carryover 238,000,000 bushels of wheat. In order to reduce the carryover to last year's level on August 1st, of 131,000,000 bushels, export shipments would have to be during the next 19 weeks 107,000,000 bushels, or 5,600,000 bushels a week. We do not think this can be accomplished with the Southern Hemisphere shipping so heavily; therefore for the sixth year in succession the Canadian carryover will prove to be larger than the year before- something which we have been predicting right along.

Corn also was weak- buying power being very poor. Oats and rye sympathised with the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

March 30th, 1931.

Liverpool wheat cables were weak today altho they did not decline as much as we had on Saturday, and we expect from now on no matter how much our market should break here, Liverpool cannot go down very much, being so low already.

News continues to be bearish inasmuch as the weather was highly favorable- plenty of moisture everywhere and prospects are as good as they were in 1914 when we raised about the largest crop per acre of winter wheat we had ever raised; naturally, it is no cinch yet that the weather from now on will continue to be as good as it was then.

Primary receipts of wheat are keeping big, altho not as large as last week, but larger than last year. World shipments also practically 15,000,000 bushels, of which North America contributed only 4,500,000 bushels; the amount on passage over 53,000,000 bushels, which is 19,000,000 bushels larger than it was last year. The visible supply increased 764,000 bushels, being now 202,479,000 bushels, which compares with a decrease of 1,867,000 bushels in 1930 when the visible was 53,000,000 bushels smaller. Considering that there are over 5,000,000 bushels of American wheat yet in Canadian ports which are not included, and also there are probably over 40,000,000 bushels of wheat on the Pacific Coast which are not shown in the visible supply, there is an immense quantity of wheat in sight, not to mention what there is in farmers' hands, in the country elevators, and in the big mills.

Under the circumstances we see no inducement yet to make purchases of wheat futures. Last year we had quite a heavy movement of new wheat toward the end of June, and with the combines now in more active use than ever we see no reason why this should not be repeated this year.

There is more or less nervousness on part of shorts on account of the low prices existing at the present time; toward the close there was quite a fair recovery, but Winnipeg remained weak all during the session.

Corn was extremely weak; no matter how low prices seem to go the consumer is holding on, or else is not in a position to buy.

Oats also showed a good decrease; rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

March 31st, 1931.

Liverpool wheat cables today were very disappointing to the Bull; they were practically unchanged before the session opened and did not vary much afterwards, but we had quite an advance yesterday after their market had closed to which they did not respond.

News was rather scarce overnight; there were some rains again in Kansas and Oklahoma, but not much attention is being paid to that just now because there seems to be a reasonable amount of moisture everywhere. Primary receipts are keeping up, but still are not burdensomely large at the present time, and we hardly think stocks will continue to increase, but will probably decrease some; but when it is considered that our visible supply now is 95,000,000 bushels larger than it was at the end of the season in 1930, the decrease might be quite considerable, and yet our visible supply would be much larger than then.

The exports of wheat and flour the past week are divided as follows: 1,097,000 bushels from the United States and 3,339,000 bushels from Canada. This is a very poor showing for Canada, but a little better from the United States and probably includes some Farm Board's shipments.

At one time today our May wheat was very strong. The speculative interest in May wheat, in our opinion, is very small; most of those who have May wheat sold can deliver it here or in outside positions. The price of May wheat so far is of interest, as it no doubt will affect the Spring wheat seeding.

We were in hopes that the Government estimate on intentions of the Farmer would be correct, but the farmer may change his mind when he sees cash wheat prices advancing, and from this point of view, we consider it a bad thing just at this time if cash prices in the Northwest would advance, as it would give the farmer false hopes again.

Toward the close there was very heavy short covering, with an advance in prices, which also affected corn which was strong.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

April 1st, 1931.

Liverpool wheat cables were about as due, and the present parity in the neighborhood of 3¢ over Chicago July, which prevails now, is still insufficient to permit of any export business other than where forced sales are made. At the same time due to the exceptionally good quality of Manitoba wheat, there is a spasmodic demand for this sort from time to time. Winnipeg this morning reported a fairly good business- approximating 1,000,000 bushels, which is the first time that the Canadians have had much relief.

The routine news was about in line with what we have had lately. Weather was satisfactory, and crop experts generally give the assurance that the moisture for the time being has been ample. There were reports issued today on the probable winter wheat yields; of course, everyone knows that it is too early to forecast with any degree of accuracy, and the experts themselves are not very close in their estimates. However, they look for an average of over 600,000,000 bushels, and Murray makes his figure 642,000,000 bushels. Should these estimates find fulfillment, it would in all probability point to a larger crop than last year, with the already burdensome supplies.

The Government report yesterday estimated stocks in mills and country elevators 82,000,000 bushels; this figure, together with the visible supply and farm reserves, shows wheat in the three important positions as 60,000,000 bushels greater than last year.

It now looks as tho exports from March 1st until the end of the crop season would be 15,000,000 bushels less than last year; therefore, our conclusion would be that the carryover at the end of this crop will be 75,000,000 bushels more than it was on July first last year. This is the same amount that we have maintained right along. We must assume furthermore that the Farm Board will finally own 250,000,000 bushels of wheat, which would leave 100,000,000 bushels of free wheat for other purposes than storage, and this would tend to make markets become more normal as time passes.

We furnish some figures of visible supplies as they have been in previous years as of July 1st. Think these will be of interest as it now looks as if the visible supply stocks would make another new record when July comes around;

1921	- 8,000,000	bushels
1922	- 17,000,000	"
1923	- 25,000,000	"
1924	- 34,000,000	"
1925	- 26,000,000	"
1926	- 12,000,000	"
1927	- 22,000,000	"
1928	- 38,000,000	"
1929	- 92,000,000	"
1930	- 107,000,000	"

The chief influence aside from the continued bearish statistics was the sharp break in corn, where leading longs were said to have been disappointed, and probably influenced also by the many new lows established in the securities market.

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FORT WORTH GRAIN AND COTTON EX.

April 2nd, 1931.

Liverpool wheat cables were but a trifle lower today, and fluctuations abroad are so small that very little attention is paid to them now-a-days; in fact they will have holidays now until next Tuesday- also several markets in this country will be closed, so we expect to have more or less holiday conditions. Trading today was so light that the slightest purchases or sales had an unduly large effect on prices.

As far as wheat is concerned, believe less attention was paid to actual conditions than to the stock market and to corn, and as both were very weak prices declined accordingly. The trade in general still prefers to sell September wheat, but we do not share their views, believing that July wheat will sell at 3¢ discount when the crop starts to move, and possibly if there would be heavy deliveries on track at the end of July the discount may be even wider. The actual cost of carrying wheat from July to September is 3 1/2 to 4¢ per bushel, and we do not think any trader would like to give this away, so nobody will care to take delivery in July.

Primary receipts are still much larger than last year, being 612,000 bushels compared with 340,000 bushels in 1930. Stocks at Duluth, Kansas City and Minneapolis together showed an increase of 388,000 bushels, which is much smaller than heretofore, and which we think is not sufficient to offset decreases next Monday, so we look forward to moderate decrease in the visible supply, compared with a decrease of about 2,800,000 bushels similar week last year. At the end of June, 1928, when agitation for the Farm Board was started, our carryover in this country was 128,000,000 bushels. If we are correct in our estimate that this year it will be 350,000,000 bushels, there has been an increase of 220,000,000 bushels, which is about the quantity which the Farm Board is supposed to carry now in cash and futures. In other words, if these 220,000,000 bushels would be locked up the world could get along very nicely on supplies which exist in this country and with other countries having more than they had at that time, particularly Canada.

Corn was extremely weak, influenced by the extremely small demand and this in spite of the fact that receipts are decreasing and prices now look very low compared with hogs.

Oats have no friends whatsoever and are being pressed heavily by the speculative element.

Rye sympathised with the other grains, but is very much neglected.

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FORT WORTH GRAIN AND COTTON EX.

April 4th, 1931

There were no cables today and there was no news of any kind before the opening as a guide of what markets would do, except that weather continues to be favorable; it looked as if with favorable weather all over the country and with several markets closed trade would be very light and fluctuations unimportant. There was some talk about a possibility of War between Russia and China, to which, however, no serious minded person paid any attention. There were some reports about insect damage; however, ordinarily such reports would be entirely ignored.

The market, however, opened strong on some purchases against Manitoba wheat which was sold overnight, and the Winnipeg market being closed hedges were taken off here. This gave us a strong opening and a few bull leaders tried to boost prices further, and finally the market went into the daily privileges and weekly privileges, shorts covered heavily and the market closed at practically 3¢ advance, which was one of the biggest fluctuations we have had for sometime. It shows very plainly that wheat had been oversold and with practically no hedges in the market the old wheat all being taken care of, such occurrences are likely to happen any time until the new crop really moves and then actual conditions will again be predominent. Should the crop turn out as it now promises we repeat our previous statement that there is too much wheat, and we shall have to go to an export basis, which means considerably lower.

Primary receipts cannot compare with last year, because then there was no holiday; also in today's primaries Minneapolis is not included- that market being closed. However, we give the figures as they appear on the blackboard; primary receipts today 866,000 bushels, which includes a holiday against 445,000 bushels last year when there was no holiday. Clearances were extremely small today- only 3,583,000 bushels for the week compared with 5,886,000 bushels last year; so there will probably be less than 5,000,000 bushels from Canada and only a small quantity from the United States.

Corn was also very strong, partly in sympathy with wheat and heavy short covering. Oats and rye also sympathised with the other grains.

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FORT WORTH GRAIN AND COTTON EX.

April 6th, 1931.

There were again no cables to guide us; Winnipeg which had been closed on Saturday did not fully respond to our advance, and we opened somewhat lower. Sentiment may have been influenced by Argentine cables, which were only 5/8¢ higher and did not reflect any great enthusiasm; these Argentine markets, of course, will be very closely watched by Liverpool. During the session the range of price was not very important- extreme differences being less than 1¢ per bushel. We believe this will continue for sometime as there are actually no hedges in the market; there is a short for every long, and considering that the level of wheat price is low shorts get easily scared. The situation may change completely when we are confronted with actual hedges when the crop commences to move.

In our experience, it is very seldom that crop conditions were so uniformly favorable- in fact, they are so good that it is practically impossible that they could improve and can only deteriorate. However, the danger at the present time is not very great, as there is plenty of moisture everywhere and the time for severe frosts of course is over. A party from Texas, who visited us today, stated that last season he handled 1500 cars of wheat in June, that the crop outlook is for 50% more wheat than in 1930, and at the present time the plant is from 8 to 12 days ahead. From Kansas City they wire such glowing stories about possible yields in Kansas that we dare not repeat them, because in all probability they will not be realized- something will happen to shorten the crop somewhat, but if not, Kansas will raise by far the largest wheat crop they ever harvested.

The moisture question in Canada is also satisfactory, and according to Sanford Evans precipitation from September to March inclusive was about normal and somewhat better than last year; he also reports that on March 28th there were 234,000,000 bushels of wheat left in Canada for export and carryover- therefore, hardly should cause any excitement if for a few days a million bushels a day should be sold; there would be plenty of wheat left if this should continue until the first of August, but competition will be very severe when the new crop commences to move here in June or July.

The visible supply showed only a small decrease of 665,000 bushels; it is just what we expected. The visible supply now is 55,000,000 bushels larger than in 1930. Primary receipts were very big; comparisons with last year and the year before are not in order, because we did not have holidays the same days; there were some points included today which were not included before; altho there is an extra day for Minneapolis today this week the total of 1,833,000 bushels is very large.

Corn followed more or less the trend of wheat, and also closed lower. Oats and rye continued to be ignored.

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

April 7th, 1931.

There was nothing sensational inthe overnight news today; Liverpool which reopened today for the first time since they closed on Thursday showed very little response to our advances, which had taken place here and in Canada during the interim, and at the close of their session there was hardly any change since Thursday. This, however, was foreshadowed by Argentine cables, which had been very weak, and the presumption is that foreign countries had been able to buy to better advantage there than in North America.

Primary receipts show the same tendency as they had lately- larger than last year, but smaller than the week before, and today's receipts were 611,000 bushels compared with 453,000 bu. in 1930. Exports continue to show the same poor tendency from North America- being only 576,000 bushels from the United States and 3,535,000 bushels from Canada. The three great primary markets which report their daily stocks- Minneapolis, Duluth and Kansas City- show a decrease so far of 19,000, bushels; consequently we look for a further decrease in the visible supply. There are only 12 more weeks up to July 1st, and of course, as we come nearer that period the more influence new crop conditions will have; therefore, it behooves us as near as we can to take an inventory of what we have to face on July 1st.

In checking up our figures over and over again, we cannot come to any other conclusion, except that our carryover will be about 350,000,000 bushels. If Canada does not ship more than 5,000,000 bushels a week, which is more than they have been shipping right along, there will be left in Canada about 170,000,000 bushels on the first of July when they will come into competition with our new wheat. Should North America raise a crop like the past year, there would be another 500,000,000 bushels for export and carryover or a total available quantity of 1,020,000,000 bushels. Now it is immaterial whether we are wrong in these figures 20,000,000 or 50,000,000 bushels one way or another; these figures are so large that even if the United States locked up its 250,000,000 bushels there would still be 750,000,000 bushels left, and if not more is exported than this season- estimated 350,000,000 bushelsfrom North America- we would have another carryover the following year of 400,000,000 bushels, plus farm board's stocks. Such a situation of course is intolerable, and as we are all anxious to help the farmer and bring him back to the prosperity he enjoyed before the Farm Board ever purchased its first bushel of wheat, and when wheat was selling at $1.18, we should certainly recommend that not a single day be lost during the next twelve weeks before the new crop starts to move, and that our export pressure is taken up in earnest and not in a leisurely way.

It cannot be said that wheat cannot be sold for export. The importing countries have been taking, and will continue to take, 15,000,000 bushels weekly for many months. They are not discriminating against us if we meet the market; it is our fault if we sell only 500,000 bushels of wheat a week like we did the past week- even a million bushels will not be enough. We agree perfectly that these sales can only be made at sacrifice prices, but we must recognize the conditions, and sacrifice-prices will have to be taken sooner or later- therefore, why not now, and relieve the situation best we can. Furthermore, we believe that the consumption of wheat might be increased. We were told that other countries are selling poor wheat now to Holland and other countries who take it as a substitute for feed.

The weakness in wheat had its sympathetic effect on corn, and some futures sold almost at the lowest price of the season. If corn cannot advance with all the bullish statistics it seems this is not the time for any bull movement in commodities. Of course, the weakness in stocks is also a deterrent for speculators to enter the grain markets.

Rye and oats declined with the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

April 8th, 1931.

Liverpool wheat cables were a trifle better than due, altho at the present price of 63 1/4¢ for July wheat we are still far from an export basis, and we look for radical changes before the new crop moves in volume. The routine news was generally bearish, with primary receipts of wheat very large- being greater than last week and over double of last year. With navigation now open there is a decrease so far of 1,086,000 bushels at Duluth, altho Kansas City, Minneapolis and Duluth together show a decrease of only 987,000 bushels. In any event, with shipping adjustments being made we look for larger decreases in the visible supply, and are prepared to see an average of 2,000,000 bushels decrease in the remaining twelve weeks of this crop. On that basis we would have about 175,000,000 bushels of wheat left in the visible supply with new wheat coming on the market, which would not only be a record for all times, but would be 50,000,000 bushels larger than the amount ever attained before last year, even during the peak of a movement. This being the case it will not be very long before elevator congestion will start bothering us in spite of the fact that Kansas City alone is adding about 12,000,000 or 13,000,000 bushels to its present storage.

The firmness in the market today was occasioned somewhat by nervousness, and the repeated reports of possible bug damage. Now, we are not experts on insects, but we do know that the toll of any crop was never very large on account of flies or cinch bugs; nor do we ever remember in recent years when there were not quite a few complaints from this source; so we presume it is more or less a natural disease which occurs every year just the same as certain children's diseases in human life. In past years, however, crop damage has had more than the usual effect because very often exporters were making heavy bookings ahead against shipments from the United States during the summer months. This is not the case now with Europe buying from hand to mouth; consequently, the buying hedges are not in this market and therefore crop scares will not have as great a market tendency as was the case five or ten years ago.

We are advised that possibly 2,000,000 bushels of wheat will be loaded out of Duluth- mostly Durum, and brokers intimate that some of this grain at least will be shipped in Canadian bottoms, and as Canadian Durm is so much cheaper we presume it will go to Montreal or some Canadian Port for destination and be carried there for sometime to come; therefore, we are not inclined to view this as either important from the viewpoint of export business or as a market factor otherwise.

Corn was mixed and July was fairly strong, but September not in much demand.

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FORT WORTH GRAIN AND COTTON EX.

April 9th, 1931.

Liverpool wheat cables were quite strong today before our session opened and they maintained their moderate advance at their close. We had some spreading orders between here and Liverpool, and were advised that trading there is also extremely light and orders cannot be filled rapidly. We presume that to a certain extent similar conditions exist there as here; the world shipments equal about the consumption and there are no hedging sales of any great importance at the moment.

Russian and the Danubian shipments have dropped off materially, Argentine has never become the big exporter as was expected in view of their large crop; whether the crop had been overestimated or whether the farmer is holding back the wheat, intending to make the heavy shipments after July remains to be seen. The one great burden on the market of late, as far as the importing nations are concerned, is Australia, and its period for heavy shipments must be about over. This gives Canada a better chance to dispose of its huge surplus, and they seem to get very much excited every time they sell a million bushels or so; it was reported today that sales from there were from 1,000,000 to 1,500,000 bushels, but the larger figure was doubted by some of the well-informed people, altho some extremist put it as high as 2,000,000 bushels.

Tomorrow we expect a Report on Bradstreet's clearances again, which probably will, as heretofore, be disappointing considering the various reports of export sales which are wired from Canada from time to time. Our primary receipts are keeping up pretty well, being 777,000 bushels of wheat compared with 400,000 bushels last year, or almost double.

Trade is extremely dull and the smallest transactions have an undue influence. There will be a Government Report giving the condition after the close, and everybody looks forward to a very high condition, but this is discounted to some extent. There were good rains in the Southwest; some more rains in our Northwest and in Canada would have more sentimental effect than the Government Report. The way it looks to us at the present time all the bull hopes for is to make 1 or 2¢ on pit conditions, and the bear is fully aware that he has to have a great deal of patience and possibly wait until the new crop commences to move when our wheat probably will sell on a parity with Liverpool. The difference at the present time is only 2 1/2¢ per bushel. We still maintain that when the movement once starts, July wheat cannot be maintained at a premium over September, and to show how this was brought about only thru a congested condition in our pits, we want to mention that at Kansas CIty July wheat also is selling at a premium over September. Now, Kansas City will have plenty of storage room- there is about 15,000,000 bushels additional elevator space being built ready for the new crop; also wheat in that territory moves earlier than ours. We have always found that it takes some time to adjust such conditions, but they will come in due course of time if they are well reasoned out.

Corn was almost as dull as wheat and followed fluctuations of its sister cereal.

Oats and rye continued to be extremely neglected.

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FORT WORTH GRAIN AND COTTON EX.

April 10, 1931

Cables were very weak, probably influenced by the high estimate of gogernment figures on the probable winter wheat yield; however, they made some recovery during the day. We also opened lower, and for a while became very weak, but after a decline of about 1¢ per bushel, shorts covered very heavily and when corn showed great strength a sympathetic movement started in wheat with a reaction of about 1 3/4¢, the market closing practically at the top. There were various reports out about insect damage in different parts of the country which had some effect.

The government report, which came out yesterday afternoon, was very much as was expected so far as the condition is concerned, but it was a surprise that such a high par value was used, and consequently a probable yield of 644,000,000 bushels was more than the trade had expected.

Using different par vlues one year compared with another makes it very difficult to make comparisons. Using our own interpretations, we have come to the following conclusions: As the amount of winter killing was very small, the area harvested will probably be about 41,000,000 acres. This was exceeded only in the years of:

1922 when we harvested a little over 42,000,000 acres
1921 " " " over-------- 43,000,000 "
1919 " " " " -------- 50,000,000 "

As far as the condition is concerned, it is the highest condition since 1917, with the exception of 1919 when it was 99.8 and in 1921 when it was 91 compared with 88.8 this season. In both those years, when the crops started so well, the condition was very much poorer at the end of the season, and the actual yield in:

1919 was only 15.1 bus. per acre
1921 " " 13.8 " " "

The lowest yield during these fifteen years was 12.7 bushels. Therefore, it is fair to assume that we shall probably raise about 15 bushels per acre this year, or 615,000,000 bushels, which would be somewhat more than in 1930. We think, since the future is always uncertain, calculations ought to be based on a crop about equal that of last year. Should this be the case, we would start in next year with 75,000,000 bushels more carryover. We would require, in normal times, 50,000,000 bushels less for consumption on account of not having the extraordinary amount of feeding; also, we shall not have the buying power of the stabilization corporation, which this year has purchased so far 130,000,000 bushels of wheat, and probably will have to buy 50,000,000 bushels more to keep up the artificial price existing at the present time.

The government also gave the astounding figure, as to the amount of wheat in the United States in all positions, of 530,000,000 bushels. This compares with 476,000,000 bushels given March 1st, 1930, or 54,000,000 bushels more.

It is fair to assume that the exports from March 1st to July 1st will be about 20,000,000 bushels less than the previous season; therefore, the carryover will be about 75,000,000 bushels larger, and it confirms our previous estimates as to the carryover of 350,000,000 bushels. From all public utterances on part of the Farm Board, they have purchased so far only about 200,000,000 bushels of wheat, cash and futures; therefore, they will either have to buy considerable more, or else there would be 150,000,000 bushels free wheat in different channels, which we think is more than speculators or consumers will want at the present price level.

The wheat market itself shows that at the present price level it is easy to find new buyers on all reactions, and while we maintain our very bearish views on the final outcome, we can easily see that the low prices will not be realized until the new wheat actually moves, or until we come nearer to the period when hedging sales will be more liberal.

Corn news was very bullish right along: receipts were light, more corn had been worked East than for some time, but for a while on liquidation we had some good breaks. Later, same as in wheat, shorts began to cover and quite a substantial reaction took place. Other cereals followed accordingly.

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FORT WORTH GRAIN AND COTTON EX.

April 11 1931.

Cables were just about as due, but the carryover feeling from yesterday was quite bullish, and the opening was firm here and quite strong in Canada. Winnipeg reported a fair export business- possibly 1,000,000 bushels having been worked from there and this seemed to influence that market more than the Government Report, which estimated that 275,000,000 bushels of wheat were left in Canada. This compares with other years as follows:

1927 - 174,000,000 bushels
1928 - 219,000,000 "
1929 - 245,000,000 "
1930 - 228,000,000 "

In other words, it is the greatest amount of wheat ever left at this time of the year, and is 47,000,000 bushels more than last year. However, it must be taken into account that the bonded wheat in the United States is about 12,000,000 bushels smaller than a year ago; therefore, the total stocks of Canadian wheat left are only about 35,000,000 bushels more than last year. We think that their export business from now until the next crop will be no greater than last year and therefore they will add this 35,000,000 bushels to last year's carryover which will give them another problem when the next crop comes on the market.

Statistics on Monday will be comparatively bullish; world shipments are not apt to exceed 14,000,000 bushels, as Russia shipped very little the past week and Australia was down considerably from the week before. Moreover, our visible supply on account of navigation being open will show a pretty large decrease; it will compare with a decrease last year of about 4,000,000 bushels; Stocks at Duluth, Kansas City and Minneapolis show a decrease so far for the week of 1,083,000 bushels, but nobody expects that the total visible supply can forever remain above the 200,000,000 bushel mark. Primary receipts were good again today- 718,000 bushels compared with 422,000 bushels last year. From the advices we get it looks as tho there would be a much better wheat movement next week in the Southwest with receipts picking up, and according to the Nebraska State Report 18% of the wheat still remains on the farms. This is probably the highest of any winter wheat state, as the farmers are very prosperous, but it goes to show that there is still a lot of wheat back.

In our opinion, the advance has technically weakened the market, as short covering was quite thorough. There is no change in fundamentals; possibly another 30 days will be required before pressure will increase because of prospective hedges. Nevertheless, we want to forget the chalkmarks and keep our eyes glued upon the weather, which remains good, and stocks of wheat, which remain heavy.

Corn enjoyed very little benefit from the wheat advance, and prices showed just a fractional advance. We consider that this cereal has merit, and look for smaller receipts and a better movement out of Chicago.

Oats are neglected and liquidation continues, particularly in May.

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FORT WORTH GRAIN AND COTTON EX.

April 13th, 1931.

Liverpool was influenced by the rather bullish figures over the week-end; supplies on Ocean passage decreased about 5,000,000 bushels and world shipments were somewhat less than 12,000,000 bushels, which resulted in a slightly better Continental demand, and at the last prices abroad were 66¢ for July wheat, which after all is not very high as it is only about 2¢ over Chicago. In any event, the higher quotations from abroad stimulated further short covering, as did also reports of dry weather in the Northwest. Several explorers who had gone out over the week-end experienced dust storms, and while it is somewhat early to worry about these, nevertheless these reports had their effect marketwise.

We predicted last Saturday that there would be a fairly large decrease in the visible supply, which materialized today- being somewhat over 2,000,000 bushels, but still leaves us with 199,500,000 bushels, or 56,000,000 bushels more than last year- something that no one has ever seen before at this time of the year. The indications are for a slightly better movement in the Southwest, with the smaller markets claiming better receipts than last week; but to offset this Duluth will probably ship some more of its Durum wheat to Montreal and with navigation now open there may be further readjustments- this also refers to Canada.

Shipments from North America were less than 4,000,000 bushels for this week, but will probably be somewhat larger from now on. However, Canada has a situation that is very unique. According to the Official Government report discussing the disappearance of the 1930 crop the conclusion is that the carryover will certainly exceed last year's when it was the largest in history; and we believe that even with the export business that is done every day they will not ship much more than for the corresponding period a year ago, so that if wheat in all positions is 35,000,000 bushels greater than last year, it seems almost a certainty that Canada will carry over 160,000,000 bushels. We can see a situation arising, however, where temporarily old factors which have been depressing will be lost sight of. Efforts are being made at the present time to start something in the way of crop scares which may carry values somewhat higher. However, adding the carrying charge to July wheat it would make the price for wheat a year from this May 80¢, which we have seen was difficult to maintain even with stabilization. Therefore, bulges if any appear we think will be only temporary. The enthusiasm in buying July wheat and selling September will also probably have to go thru its crisis. Some people expect a famine this year in July on account of the old wheat being locked up by the Government; they probably figure that every flour buyer will want to have a year's supply shipped in one month, but opinions may change very readily when the pressure of the new crop commences.

Corn was in better demand; it absorbed some of its strength from wheat, but smaller primary receipts as compared with a year ago and a fair demand also helped to shape independent support.

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FORT WORTH GRAIN AND COTTON EX.

April 14, 1931

Liverpool cables were very weak at the outset, July wheat declining to a premium of only 1½¢ over Chicago July. At their close, however, some recovery was noted. This had a slightly bearish effect upon our prices at the opening, showing how entirely unresponsive Europe had been to the recent strength in North America.

The chief feature, however, was weather in our northwest and in Canada. There has been a sort of psychological fever creating the impression that rains would be needed immediately, and the trade has entered into a rather bullish frame of mind.

Just to clear our own conscience in an effort not to belittle some of the reports of dust storms, we made inquiries among our friends in the northwest and find that those States had sufficient topsoil moisture for favorable seeding of spring grains. It is true that subsoil moisture is deficient, but seeding is progressing rapidly. Our own deduction is that in 9 years out of 10 April showers feature the weather; and even today's forecast talks of the possibility of scattered moisture on both sides of the international line. At the present writing there are a few places in Canada that report sprinkles, and we are inclined to the belief that rain within the next two weeks will come in ample time.

It is interesting to note that in dividing up the North American shipments last week, Canada shipped 3,272,000 bushels and the United States only 616,000. Since the farm board started its campaign to relieve the ports of their burdensome stocks and to try to export 35,000,000 bushels, the clearances have not shown any great increase. At New Orleans, for instance, where considerable business was supposed to have been done on account of the many barges stored there, we find that during the month of March only 351,850 bushels of wheat cleared that port, out of which 268,000 bushels was destined for Antwerp. The latter sales were reported right along by us and we now find that only 24,000 bushels of wheat went to Liverpool or Manchester for destination.

The primary receipts today were quite light, being hardly larger than last year. At the same time, stocks at Duluth, Kansas City, and Minneapolis show an increase thus far of 103,000 bushels for the week.

We continue to believe that nervous markets will be witnessed until good rains are experienced in the northwest. No mention is made of the southwest, where prospects are still excellent.

Corn was not able to maintain its full advance on account of the late weakness in wheat; however, the May delivery was quite strong, the belief being that possibly 2,000,000 bushels would soon be moved out of Chicago for eastern ports.

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FORT WORTH GRAIN AND COTTON EX.

April 15th, 1931.

Liverpool was quite strong this morning before our opening; their quotations had been expected lower but some futures sold as much as 1¢ higher. The reason for this was a better demand, also reports that the Orient was buying further quantities of Australian wheat.

There had been some few showers in the Northwest overnight, and further sprinkles were forecast, but there was nothing to indicate that there would be general rains either in our own Northwest or in Canada. A very well-informed elevator man, on a visit here, called attention to the fact that some of the best crops of Spring wheat had been sown in dry soil; we do not want to forget that the Spring season is the one that is generally marked by rain. Meanwhile conditions in the Southwest remain almost perfect. There had been good rains in many localities, and with the fine outlook, coupled with general poor business we consider that prospects for the Spring wheat are less important. We also want to be mindful of the fact that the surpluses remaining from the last crop are too large and the time too short for anything but a large carryover to be attained. Nevertheless, we recognize the possibilities of temporary advances- such as we had today. We recognize also that in discussing a betterment in foreign demand and some of the dry talk in the Northwest that a great many exaggerations will be resorted to; we saw today when really the first good export business in Canadian wheat passed how reporters used the word "tremendous", etc., all of which preys on the minds of shorts who cover freely and encourages longs, who sadly forget the carrying charge in their excitement.

The primary movement of wheat was again over double of last year, and receipts at interior points in the Southwest showed some increase. The chances are that nervous markets will be with us until either prospects of rain are heard, or until the moisture is actually received.

Corn was somewhat higher in the earlier dealings, but reports of larger receipts in the Southwest created a bearish feeling; Kansas City, for instance, had 138 cars. Locals continued to buy wheat and sell corn, which was also a factor in the day's transactions.

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FORT WORTH GRAIN AND COTTON EX.

April 16th, 1931.

After yesterday's demonstration and the talk of large Canadian business there seemed to be the quiet after the storm. Just what difference it makes whether Canada on a certain day sells one million bushels more or less for export, we do not know. It is still apparent that the carryover will be very great, and during the next eleven weeks neither they nor the United States can reduce the amount to the figures of last year.

The weather for the most part remains dry both in our Northwest and in Canada; there was little indication of showers for the next twenty-four hours. However, it is still a question of whether seeding progresses better in dry soil or in mud. Our own experience has taught us that the former is just as good providing spring rains follow.

About one hour after the session started there were reports of a sharp break in the Argentine markets occasioned by lower exchange rates- amounting to about 3%, and this caused a selling wave in July wheat, which carried values below the previous close. It has become very popular here of late for longs in July wheat to hedge themselves in either September or December wheat on the theory of the Government locking up all the old supplies, but when small orders came into the pit today to unwind these transactions it immediately started the trend the other way. It is very absurd to our way of thinking that scarcity of elevator space should result in lack of carrying charges, and we still adhere to the theory that if about 350,000,000 bushels of wheat are carried over it will not matter much whether it is owned by the Government or by others: its very existence and the fact that it occupies space to the detriment of somebody else who is unable to move wheat to terminals will cause a certain depression; we are confident there will be a 3¢ carrying charge from July to September, and probably 5¢ from September to December.

Statistics are about as usual; primary receipts were somewhat smaller than last week, but quite a little larger than last year; stocks so far at Duluth, Kansas City and Minneapolis show a net increase of 44,000 bushels, and carlots at interior points in Missouri and Kansas show quite an increase over last week. We are told that the movement will be larger now and receipts indicate the correctness of this statement.

Corn seemed to be under pressure; a bearish feeling prevailed, with receipts somewhat better and demand almost as poor as receipts are light.

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FORT WORTH GRAIN AND COTTON EX.

April 17th, 1931.

Liverpool cables were fairly strong, having advanced about as much as our September and December wheat did after Liverpool's close yesterday. Greater strength in Argentine Exchange made prices at Buenos Aires higher and they recovered a good part of yesterday's break. Export business was claimed to be fairly good, with Canada sharing the business, and Argentine shippers selling heavily to Liverpool, United Kingdom and the Continent.

Routine statistics were about the same as those to which we have been calling attention right along. Primary receipts were over 600,000 bushels, and the receipts in corn were also very heavy-being over 800,000 bushels; no comparisons with the year before being possible on account of a holiday at that time. Duluth, Kansas City and Minneapolis together are about a stand-off for the week as far as stocks are concerned, with Duluth increases being offset by the other two markets.

We were advised by our Kansas City house that St. Joseph, Omaha, and Hutchinson were all offering wheat, but only few purchases being made as the elevators in that part of the country are practically all filled.

There were slightly better export clearances; Bradstreet's figures this week being 5,148,000 bushels against 4,183,000 bushels last year, and the total todate is 277,600,000 bushels against 235,000,000bushels previous year. It now seems probable with these figures and those published yesterday and today that the world shipments on Monday would be nearly 15,000,000 bushels, which is ample at this season of the year.

The news from the Southwest continues to be glowing, and the growing wheat in that part of the country is about as near perfect as it could be at this season. As far as the Northwest is concerned, there probably is a shortage of rainfall, but the acreage in the four states is so small that it will not cut much of a figure even if the crop is not very large. The chief factor is still the large prospective Winter wheat crop, which might go back some, but is still bound to produce a large yield. This in connection with the carryovers is bound to give us low prices. It can make very little difference whether the demand from Europe from now on will be a little better or a little worse, because there are less than eleven weeks until the new crop comes on the market, so that altogether we see no reason to change our previously expressed opinion. We are more convinced than ever now that July wheat will finally sell at a discount under September.

Trade in corn while comparatively light shows that speculation is inadequate to hold the price level. Consignment notices in the Southwest are increasing, demand is only fair, and discouraged holders are looking more at the possibility of a large crop for next year than the small stocks which will be carried from this crop into the next.

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FORT WORTH GRAIN AND COTTON EX.

Sat April 18th, 1931.

Liverpool wheat cables were strong, influenced by further increase of 5% in the amount of foreign wheat allowed in French milling regulations; export business was claimed to be fairly large. According to Sanford-Evans there still remains 227,000,000 bushels of Canadian wheat for export and carryover; deducting the carryover last year of 131,000,000 bushels leaves a balance of 96,000,000 bushels, which could be exported, and still leave the same carryover as last year. There are 16 weeks until the first of August, which would mean exporting 6,000,000 bushels a week- an amount they have failed to do up to the present time.

Cables were also influenced by lack of moisture in Canada. There is some indication of showers, but no great amount.

We are mindful of the fact that there is a deficiency of subsoil moisture both in Canada and our Northwest. At the same time Canadian moisture in March was almost normal, and they have been getting scattered showers in parts of our Northwest, which makes us believe that the situation is by no means critical. Furthermore, we must not lose sight of the fact that a decrease in acreage of our four Northwestern States would have but a small effect on the total Winter and Spring acreage in the United States; and whether the Spring wheat crop is a little larger or smaller in that section cannot make any particular difference considering the fine conditions that exist in the Southwest, and in view of the tremendous carryover, with only eleven weeks left until the new harvest.

Receipts today of both wheat and corn were large. Elevator capacity is taxed, and we are still strongly of the belief that carrying charges of wheat will result. We expect a small decrease in the visible, which will be compared to a decrease this time last year of 3,925,000 bushels.

The trade is paying more attention to weather than to actual statistics, and until such time as we get some relief at least in the Northwest markets will remain very nervous.

Corn receipts remain very large, and while the remaining stocks are small compared with previous years, the intention to plant is large and tired holders seem inclined to liquidate.

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FORT WORTH GRAIN AND COTTON EX.

April 20th, 1931.

Liverpool wheat cables were very strong today on their first prices, but later on there was quite a reaction and the close was somewhat lower than Saturday. We think we were partially responsible for this break at Liverpool, as some of our customers took profits on spreads they had between here and there, and the Liverpool market is still not big enough to take large quantities without their prices being affected. This makes us believe that possibly cables will not fully respond to our break of today. In the long run, we repeat again, unless a miracle happens we shall have a large exportable surplus this coming year, and if so, our futures will have to go to a normal discount under Liverpool, which ought to be easily 10 to 15¢ per bushel.

Our market here was largely affected by the somewhat changed weather conditions; there were wonderful rains reported in the Southwest territory- some in our Northwest and there was also a little rainfall in Canada; not sufficient at present in the Spring wheat territory to entirely relieve the nerves of those who become excited easily, and are inclined to see a calamity whenever a deficiency of moisture is reported. However, those who studied the rainfall both in our Northwest and in Canada cannot discover that anything exceptional has happened so far- the rainfall in Canada for the seven months, ending the last of March, was better than last year and practically normal. Nevertheless, the supposed drought will be emphasized right along when it does not rain for a few days; therefore, we look for choppy markets.

The world exports were very large- being a little over 15,000,000 bushels compared with a little over 9,000,000 bushels last year, and they were particularly heavy both from Argentine and Australia- being 8,400,000 bushels compared with 2,910,000 bushels in 1930. To those who look for a continued heavy export business from Canada, we wish to point out the light Australian shipments in 1930, and also the small Argentine shipments the same year- as follows:

Australian shipments 1930				Argentine shipments 1930			
		Wheat and Flour					
April	24	380,000	bu.	April	24	1,596,000	bu.
May	1	1,536,000	"	May	1	1,572,000	"
"	8	1,904,000	"	"	8	2,500,000	"
"	15	960,000	"	"	15	1,092,000	"
"	22	1,204,000	"	"	22	1,760,000	"
"	29	1,600,000	"	"	29	2,104,000	"
June	5	1,336,000	"	June	5	2,344,000	"
"	12	468,000	"	"	12	3,080,000	"
"	19	1,836,000	"	"	19	2,672,000	"
"	26	656,000	"	"	26	2,192,000	"

This gives an average up to the new crop of 1,188,000 bushels weekly from Australia and 2,091,000 bushels from the Argentine- or a total of 3,300,000 bushels; they could easily be double that amount this year, which will be largely at the expense of Canada.

DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sheet No. 2 April 20th, 1931.

The visible supply decreased 1,830,000 bushels compared with 3,925,000 bushels last year- total being now 58,600,000 bushels more than in 1930. The decreases until the end of the year in our opinion will make a poor comparison on account of the light export business. In all probability our visible supply at the end of the year will be about 70 to 75,000,000 bushels more than last season; this is about our estimate of the total increase in the carryover. There is no question that our mill and country elevator stocks will be smaller than last year, our farm stocks probably the same, but as an offset the amount of wheat to be carried over on the Pacific Coast and West of the Rockies which does not show in the visible supply will be correspondingly larger; also a great many points which do not show in the visible and where the Farm Board has stored wheat will add to the invisible supply. Primary receipts were also very large again- being 1,200,000 bu. compared with 717,000 bushels last year. The crop prospects in the Southwest are so wonderful that from present outlook it not only looks like a good crop- above normal- but possibly a freak good crop, and if this should materialize it will make very little difference whether our Northwest, with the small acreage, will have two or three bushels per acre more or not. Certainly taking both Winter and Spring wheat conditions at the present time it looks as though we might raise as much, or more, wheat than in 1930. Under these circumstances we have not changed our opinion as to very low prices ultimately when the crop moves, but in the meantime we have to consider the mob psychology, and there being no immediate pressure on the market, the old wheat all being taken care of, we shall have frequent upturns from time to time until the new crop moves.

The feeling in corn is extremely bearish and there is really nothing in sight at the present time to lift prices. Primary receipts are still very big and cash corn is selling everywhere at good discounts. However, we have to bear in mind that the slightest change in consumptive demand would immediately change sentiment, and with no burdensome stocks on hand upturns might come very quickly.

Oats and rye continued to be neglected.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

April 21st, 1931.

This was one of the best days writers of grain market reports have had for a long time, as there were so many rumors which affected the market- most of them contradicted after a while, but yet they had their influence on prices as they came out. There were numerous reports early that the Farm Board concluded to sell their old wheat for export. Europe had this information while their session was in progress and it affected prices there very adversely and at one time they had a very sharp decline. Later Washington contradicted this report, but in such a way that it still left a bad taste for the bulls. A statement was given out that there was no change in the policy, but it continues to be the intention to sell 35,000,000 bushels of old wheat, of which 7,000,000 bushels have been disposed of. Of course, if they could sell only 7,000,000 bushels of wheat in two months their selling policy must be changed to dispose of the remaining 28,000,000 bushels during the next two months. Now, our judgment is that the Farm Board is anxious to dispose of these 28,000,000 bushels, and they finally will do so; it can be done because Australia and Argentine each are selling 3,000,000 or 4,000,000 bushels a week, so why cannot we do the same. However, in order to do it we must reduce our prices considerably, and of course this would have a distressing effect on prices abroad and react against us.

After a decline was established on the above reasoning statements were made from the Southwest that considerable damage had been done to the wheat crop on account of cold weather and freeze. Messages dribbled in regarding weather conditions all during the morning, but the general opinion was that very little damage had been done, but a number of messages received by various commission houses all at the same time, claiming heavier damage than had been reported to us, caused a sharp upturn. We believe that the present winter wheat crop, if no damage whatsoever would be done from now on, might yield 700,000,000 bushels; therefore, any ordinary damage would not cut any figure. However, we are prepared to continue to see these crop scares, like we do every year, from now until the actual pressure of wheat comes on the market. In the meantime we believe the world could raise 175,000,000 bushels less than last year and still would not cut into our carryover.

Primary receipts were somewhat smaller than last year- being 618,000 bushels compared with 652,000 bushels in 1930.

There were no important rains in Canada- there was some moisture in our Northwest and wonderful precipitation in the Southwest.

Corn was very weak on light receipts, but gradually improved when wheat had its bulge. The other cereals continued to be neglected.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

April 22nd, 1931.

The wheat market was subject to many influences today, and at the close showed a good decline after having had an early rally of about 1/2¢. The first thing this morning everybody wanted to know all about the weather and the possible effect of freezes; some reliable sources reported some very low temperatures, but the general consensus of opinion is that little if any damage has been done. It is only in isolated spots that the wheat could have been jointed, and only in that stage are freezes dangerous. Furthermore, we believe that the very low temperatures existed only for a very short period, as the weather warmed up immediately. There were some more good rains in parts of our Northwest, but Canada remains more or less dry. We believe that after the freeze reports are forgotten Canada will be more closely watched.

In the meantime we are coming very close to the period where we shall receive reports again from the private experts as to the probable size of the Winter wheat crop, and we would guess that the figure would be very large. Weather experts believe that rain might come soon in Canada; should this materialize we believe a sharp break would be inevitable.

Another factor which influenced prices was the great weakness in stocks, and also a big bank failure in Australia. With all these things to consider routine news was more or less ignored.

Primary receipts were 593,000 bushels compared with 611,000 bushels last year, and stocks at Duluth, Kansas City and Minneapolis so far show an increase of 324,000 bushels. Canadian marketings are still very heavy- being 328,000 bu. compared with 95,000 bushels last year.

It is the general belief that all elevators will be full on the first of May, and applications will be made to have track deliveries made possible in view of an emergency. This refers not only to wheat, but also to corn, oats and rye. We understand that the elevators in the Southwest are so full that #2 mixed corn was offered at 3¢ under the May price; cash wheat is selling in many markets at a discount under the May future with only a few days to go. With such an abundance of immediate available supplies, and the generally poor demand, we see nothing in sight to advance prices at the moment; this refers to all cereals.

As far as corn is concerned, it is surprising how big primary receipts keep up- being 908,000 bushels compared with 559,000 bushels last year.

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FORT WORTH GRAIN AND COTTON EX.

April 23rd, 1931.

Our morning reports from the Southwest read as follows:

> "Raining in Kansas City this morning and rained all night. Think it rained all over the entire Southwest."

This is certainly marvelous weather for the crop.

With the weather moderating and good moisture in the Winter wheat belt we think all attention will now be directed to our Northwest and to Canada, and if reports during the next thirty days from Canada should be serious wish to call our readers' attention to what happened in 1927- about a month later than the present time. We quote from the Daily Trade Bulletin of May 21st, 1927, as follows:

> "The Winnipeg Tribune says: 'Wheat seeding in Manitoba less than half done; Saskatchewan 50 to 60%; Alberta 45 to 50%. Figures all considerably below proportion at corresponding period last year'."

Quote also from the Daily Trade Bulletin of May 25th, 1927 as follows:

> "Winnipeg message read: '50% seeded wheat in Manitoba; Saskatchewan 75%; Alberta 90%. Weather favorable on seeded area. Look for 18,000,000 to 19,000,000 acres in crop'".

The final result of the 1927 Canadian crop was as follows:

Acreage - 22,460,000 acres.
Crop - 440,000,000 bushels

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FORT WORTH GRAIN AND COTTON EX.

April 24th, 1931.

Liverpool wheat cables were quite strong today, and there were no rains either in our Northwest or in Canada, which caused the trade to feel that at least the daily news was a little more favorable for the long side of wheat, and somewhat higher markets were expected. However, further rains in the Southwest, and some very optimistic statements on part of millers who attended a convention in regard to the outlook in the Winter wheat belt, changed opinions and buyers were very scarce. Since it was difficult to boost the level the speculative element worked on the bear side, and the close showed a decline of almost 1¢ per bushel.

News was more or less like heretofore; primary receipts keeping up- larger than last year, being 663,000 bushels compared with 564,000 bushels in 1930. Argentine shipments were 3,760,000 bushels, and Australian shipments 5,600,000 bushels- a total of over 9,000,000 bushels, compared with less than 2,000,000 bushels last year. While it is true a good percentage of the Australian shipments went to the Orient nevertheless there is evidently plenty left for Europe.

Bradstreet's clearances are particularly disappointing- being only 4,407,000 bushels- about 500,000 bushels more than last year, but when it is considered that both the United States and Canada shared in this movement, both making great efforts to dispose of the surplus stocks, it is certainly a poor showing.

There are only nine weeks more left when the old wheat may be moved without coming into competition with the new crop. Toward the close there was heavy selling on part of discouraged holders. We need some new incentive to boost prices- like very unfavorable weather in the Spring wheat belt in Canada, or something like that, or else no doubt prices will decline further.

Corn is feeling the heavy liquidation in the May future, and the very poor demand. This also refers to oats and rye.

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FORT WORTH GRAIN AND COTTON EX.

April 25th, 1931.

Cables were no feature of the market today, and were about as expected. There were again wonderful rains in the Southwest, and with the depressed business conditions and the weak stock market, feeling became very bearish in all cereals.

The dryness in Canada was ignored for the time being, Our Northwest had a reasonable amount of moisture. Of course, if present crop prospects of winter wheat are materialized, the acreage being more than double that of spring wheat, it will not make so much difference whether the spring wheat yield is a few bushels more or less per acre. At the present time it looks as if the winter wheat crop might easily be 50,000,000 bushels more than last season. As a general rule Canada is not favored with rains to a large extent until May, and if we get our normal amount of rainfall in that month present prices cannot be maintained.

In the meantime primary receipts of wheat are very large; today for instance, 813,000 bushels compared with 477,000 bushels last year; and stocks do not decrease very fast. March exports of U. S. wheat and flour were only about 4,500,000 bushels - total for the nine months 100,598,000 bushels compared with 123,459,000 bushels last year. Imports during the same period 14,848,000 bushels compared with 9,146,000 bushels year before- making a total discrepancy of about 28,000,000 bushels. This again confirms our opinion that our carryover for this year will be from 50 to 75,000,000 bushels larger than last year, or about 325,000,000 to 350,000,000 bushels.

Stocks at Duluth, Kansas City and Minneapolis increased so far for the week 328,000 bushels, indicating but a small decrease in the visible supply on Monday unless there would be some shifting of stocks from Duluth or other places to Canadian Ports.

Under these circumstances, we see nothing but lower prices; except temporary bulges when there are some scare markets.

Liverpool July wheat closed tonight at 6 1/4¢ over ours. Of course, they will decline somewhat, and the difference will not be quite as big on Monday. However, those who followed our advice and made this spread, starting when it was 4¢ under, must have a nice profit now. We believe the spread between July and September wheat, which we are advising - selling the July and buying the September- will work the same way in due course of time.

Corn, oats and rye all suffered from the same influences; when the decline once started everything was forgotten- bulls just tried to save themselves and sold for whatever prices they could get.

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FORT WORTH GRAIN AND COTTON EX.

April 27, 1931

Cables followed almost our Saturday's decline, and this probably because world's shipments were more than double those of last year, namely, 14,872,000 bushels compared with 6,440,000 bushels in 1930. The contribution from the United States was again very small.

The weather was not particularly favorable: no moisture either in our Northwest or Canada, and very low temperatures in parts of Kansas, reporting some pretty hard freeze.

The fact that in spite of this news our market had opened about unchanged and could still decline further shows there was a very depressed feeling carried over from Saturday. The very heavy losses which are incurred in stocks affect speculators mentally and actually.

The very sharp break and liquidation in corn also had its effect. The news otherwise was largely much as heretofore: primary receipts quite heavy, 1,237,000 bushels compared with 1,119,000 bushels last year; the visible supply decreased only 1,233,000 bushels compared with 3,494,000 bushels last year, and is now 60,000,000 bushels larger. The commercial supply west of the Rockies is also very much larger than last year. So, supplies apparently are very plentiful.

During the session, particularly towards the close, there was a gradual improvement in prices, short interests having been very extended, and the bears are very careful in spite of everything as the actual price is rather low.

The liquidation in corn was, and is, very severe yet; but, when we look at the cash prices in the Southwest, 50¢ or less so that the farmer will not receive more than 40¢, we feel that he will be in no hurry now to dispose of what is left, and we think this cereal is very cheap.

We also believe that rye and oats have about reached bottom prices.

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FORT WORTH GRAIN AND COTTON EX.

April 28th, 1931.

Liverpool wheat cables were quite strong today and almost reached the highest point for some time; they are now about 5 to 6¢ over our futures, but we still think they should go to at least 10 or 15¢ over us to do a large business.

The freezing weather of the last few days was almost entirely forgotten, but the weather is still being very closely watched in the Northwest and in Canada, where no further rains have been reported. Should this dry condition continue for a few more weeks then, of course, it will be a market factor, but should there be rain in the meantime no serious damage would have been done.

Primary receipts are still larger than last year, and we are advised that there is no milling demand whatsoever at Kansas City-elevators are all full, and the Farm Board is taking care of the daily receipts. So far stocks at Duluth, Minneapolis and Kansas City increased 114,000 bushels, and there are no indications that our visible supply will decrease very much, altho export clearances this week have been heavier than for sometime-being 1,206,000 bushels; to offset this, Canada cleared only 3,288,000 bushels, which is extraordinarily small considering the amount of wheat they still have to dispose of.

At various times the market was influenced by fluctuations in the stock market, and whenever there are any signs of further depression in that quarter everybody wants to sell all kinds of commodity as a protection.

Fluctuations were not very important and at the close the change in wheat prices was only trifling. Within a few days we think private experts will give us an estimate on the winter wheat prospects, and they will probably be easily 50,000,000 bushels more than last year. If we furthermore consider that the consumption next year will probably be 50,000,000 bushels less, if there is only normal feeding, and if we carry over 75,000,000 bushels more we shall have quite a load on our hands on the first of July. Nevertheless, breaks can come only very slowly, because even if July wheat should sell in the low 50's it would be only a decline of about 10¢ per bushel in nine weeks until the first of July, but we do not expect it to break very much in one day or in one week.

Corn did not seem to be wanted in any large quantity, and altho receipts were lighter market was draggy; it is still feeling the May liquidation.

Oats showed hardly any change and rye declined in sympathy with corn.

We consider that cotton has been less deflated than all other commodities, and with general poor business, very large stocks and carrying charge, think cotton will sell lower.

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FORT WORTH GRAIN AND COTTON EX.

April 29th, 1931.

Cables were rather strong today- the firmer feeling being caused by the strong belief that Germany will reduce its duty about 55¢ per bushel, which would make it then about $1.03 compared with $1.62 at the present time. The fact of the reduction of duty shows very plainly that Germany must import some wheat, and they are likely to take 20,000,000 bushels before the new crop commences to move. France is in a similar position: all this would be very bullish if it had not come so late. However, ten months of the crop year have passed and stocks everywhere are so large that a little extra demand divided among the many exporting countries will not change the situation very materially. However, had it not been for the very weak stock market we believe our market would have opened very much higher, and many bears would temporarily have been converted to bulls, particularly as there were no further rains in Canada or our Northwest.

For a long range view we cannot see any great change in the situation. The Southwest crop prospects are so good that whatever shortage there might be in the Northwest could easily be made up.

As far as Canada is concerned, there is plenty of time for rains during the month of May when they usually come.

Statistics continued much the same as right along- primary receipts larger than last season and milling demand extremely poor. After a sharp advance which was caused by a technical pit situation, we had an equally sharp drop, and at the close only the July wheat was higher- the deferred options closing lower; Winnipeg also closed lower than last night, which probably means a lower cable tomorrow. While ordinarily we pay very little attention to ups and downs in the stock market, as wheat usually stands on its own merit, yet when we have such tremendous capital losses, such as have taken place lately, it means that it will affect the consumption of every article, discourages speculation and may be a market factor for some time.

Corn followed its sister cereal more or less, but fluctuations were not as great. We still believe corn has more merit than wheat at the present time.

Oats and rye continued to be neglected.

Cotton was also lower, influenced by the weakness in stocks and the belief that under these circumstances consumption will be very much below normal.

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FORT WORTH GRAIN AND COTTON EX.

April 30th, 1931.

Liverpool wheat cables were rather weak today and our opening did not show much of a tendency, or give any indication of the way the wind was blowing; toward mid-session again the stock market wax the chief influence, and as a great recovery took place from yesterday's extreme depression, shorts covered quite freely, bringing about a considerable advance. Otherwise the situation is still unchanged.

Primary receipts while smaller than last week are larger than last year as follows: today 789,000 bushels, last week 923,000 bushels and last year 603,000 bushels.

The weather in the Southwest continues to be extremely favorable and there are greater possibilities of at least some precipitation in our Northwest and Canada, altho no great amount of moisture is yet in sight.

July wheat at the close today, around 62 1/4¢, is practically the same price as on December 31st of last year, showing that during those four months the market has not changed any whatsoever; believe a similar condition will continue until about the middle of June when the approach of the new wheat crop movement and the outlook in Europe will bring about bigger fluctuations. May wheat was neglected all during the session and was liberally offered at prices which induced shorts to cover, as nobody believes now that the price will go under the stabilization figures of 81¢ for the old May wheat. In Kansas City cash wheat is very much neglected; after ten months all the elevators are full and #2 hard wheat was selling at 2¢ under the May price; so if any room were left and wheat could be delivered it would bfing about 3¢ per bushel profit, including outloading charges.

During the next few days we shall hear the estimates of the crop prospects of the Winter wheat from experts, and we think they cannot help but give us some very high figures and way above the average of previous years, or last year.

Corn which had been so very much depressed the past few weeks could not help but share in the more bullish feeling in stocks and wheat and advanced considerably. Receipts are very light-459,000 bushels against 666,000 bushels last year. Rye and oats also shared in the advance.

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FORT WORTH GRAIN AND COTTON EX.

May 1st, 1931.

Liverpool wheat cables were quite strong early this morning, altho they did not keep their full advance; they undoubtedly were influenced by the reduction of duty on wheat into Germany. Reports of this reduction have been very contradictory, but the last report we had was that the reduction will be fixed monthly; as to the quantity, it is the consensus of opinion that not more than 20,000,000 bushels will be permitted to be imported on this crop.

There were again no rains in our Northwest or in Canada to speak of, but it seems that the trade here is paying more attention to it than the Canadians, as their market had been very weak compared with ours all during the session. There is no question in our mind that there has been quite a little short covering during the week on account of the supposed drought in Canada, and this makes the market rather tight and subject to sharp fluctuations on a comparatively small trade.

During the session the Directors held a special meeting, and in accordance with the rules, ordered track deliveries as being regular to fill contracts as all public space in elevators is filled. It is a terrible situation to contemplate; in the eleventh month of the crop movement when stocks usually are supposed to be the smallest, all elevators are full, and we do not know what will happen if there is no material change in the situation the next eight weeks. No only are the elevators all filled, but there was afloat in Chicago last Saturday almost 2,500,000 bushels of wheat, 1,000,000 bushels rye and some oats and barley, most of which has not yet moved out.

Winnipeg wired us that deliveries there were 2,600,000 bushels- they understand it all went to the Pool, which shows that the Pool in Canada not only controls the cash situation, but also was long the futures. This is all the more deplorable when it is considered that the total clearances from the United States and Canada in wheat and flour were only a little over 4,000,000 bushels compared with almost 6,000,000 bushels last year, which shows that they are not getting rid of their wheat very fast.

Primary receipts continue to be extraordinarily large- 1,182,000 bushels compared with 507,000 bushels last year. It is true that shipments to ex--European countries have been quite large lately- averaging about 4,000,000 bushels per week; the shipments so far on this crop have been about 131,000,000 bushels, so by August 1st they might be 56,000,000 bushels larger- or 187,000,000 bushels. This would make shipments about 50,000,000 bushels more than last year, when they were 130,000,000 bushels for the total twelve months, but considerably smaller than in 1929 when they were 217,000,000 bushels; but way above the average for the last ten years.

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FORT WORTH GRAIN AND COTTON EX.

The crop experts came out with their estimates today. They average about 658,000,000 bushels compared with 525,000,000 last year. However, we have totake into consideration that the crop improved after this time last year, while this year it might go back. But anyhow we expect a very bearish government report about the 9th of the month. A miracle will have to happen to make this year's crop smaller thanlast year's: in all likelihood it will easily be 50,000,000 bushels larger.

The estimate on spring wheat acreage reduction varies from 8% to 13 1/2%, and the reduction in Canadian acreage from 5 to 7%. It is quite clear that the acreages have not been reduced as much as would have been the case had wheat been permitted to find its own level, and which would have placed the situation on the way to improvement. However, holding our wheat back gave Argentina and Australia a good chance to get rid of their wheat; and while they reduced their acreage, the reduction was not as much as it otherwise would have been.

The estimate of the amount of corn left on farmers' hands was about 444,000,000 bushels compared with 597,000,000 last year, and shows that great economies have taken place. However, from now on the consumption of corn ought to be pretty near normal, and no doubt we shall end the crop year with a very small carry-over.

Oats and rye were weak and neglected. There were very heavy deliveries of rye.

Cotton we think is still the highest commodity, and with any kind of normal weather will sell considerably lower.

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FORT WORTH GRAIN AND COTTON EX.

May 2nd, 1931.

Liverpool wheat cables were weak and lower today- more than due, which gave us slightly lower prices at the opening. Later on various reports were circulated, and finally confirmed, that the Farm Board made a large sale of about 15,000,000 bushels of wheat, which takes care of all the Farm Board's holdings at the Atlantic and Gulf Ports to one or two exporter. Prices were not originally given, but it finally leaked out that the price is about equal to 61¢ at the Atlantic or Gulf Ports, carrying charges guaranteed up to July 1st. Figuring this back to Kansas City it amounts to about 47¢ in that market. Inasmuch as the Farm Board has been buying wheat for the last few days at Kansas City in liberal quantities at 72 to 73¢, with expenses, including fobbing charges 14¢ per bushel, there is on the face of it a loss of 26¢ per bushel between the buying and selling price, and including possible carrying charges up to July 1st of about 30¢ a bushel.

We understand the Farm Board was created for the purpose of more economical handling; we are at a loss to explain the transaction until further details are forthcoming. Of course, we are aware that Gulf and Atlantic Ports have to be cleared for the new wheat, but this fact was known to the trade about six months ago. It was not supposed that the wheat would finally be sold to one or two parties without any competition and without any attempt to obtain much better prices for the wheat than were realized. We do not see how the farmer can be helped by this transaction. The farmer has practically sold his old wheat, but it is his new wheat which will bother him in about six weeks, and if Europe is being filled up now with this cheap wheat, how can the new wheat be sold in competition.

We have studied the rubber deal and the silk deal, but never have we come across anything like this, and it will go into history as an outstandingly unique transaction. However, as the Farm Board is managed by very able men, and as they no doubt feel their duty toward the public and toward the grain trade, explanations which will be forthcoming in due course of time may modify what now looks like an unfortunate historical incident.

All statistical news was more or less ignored. Primary receipts were again more than double of last year - 1,048,000 bushels compared with 487,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis decreased so far this week 635,000 bushels.

We think Europe will be very weak when they learn of the Farm Board's transaction, and we think it will affect every market in the world- making an already bad situation still worse. We, therefore, feel very bearish on the market.

Corn in spite of the strength in wheat barely held its own. Receipts continued to be light compared with last year- being 560,000 bushels against 692,000 bushels in 1930.

Oats and rye were neglected.

Cotton which ranks about with wheat in Farm Board's transactions closed about at the lowest price for some time.

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FORT WORTH GRAIN AND COTTON EX.

May 4th, 1931.

Liverpool wheat cables were quite strong today at the start, responding almost fully to the advances in North America on Saturday. World shipments were over 16,000,000 bushels- or about 5,000,000 bushels more than last year. It was claimed that American #2 hard wheat was offered at about 75¢ delivered, and as far as we could learn, only a small amount of business changed hands. Early strength in Liverpool was not maintained and sentiment was tempered somewhat by reports of rains both from our Northwest and from Canadian points, with possibility of more moisture. It now looks as if we were entering a showery period and we expect that the Dakotas, at least, will receive relief from the dry spell within the next twenty-four hours.

There was nothing more forthcoming from the Government's agencies as to their alleged sales of Seaboard and Gulf wheat, but it was generally assumed in the East that figuring the Atlantic prices at around 61¢, this would be on a basis of about 48¢ in Chicago, which therefore is about the world's price value at the present time.

There was heavy buying of September wheat at times, and this, if anything, tended to narrow the difference between July and September wheat, and in our opinion there will finally be a carrying charge of 3¢ when the crop starts to move.

The visible supply today showed a very disappointing decrease- less than 1,000,000 bushels, and the total is about 63,000,000 bushels larger than last year, with only about eight weeks left until the next harvest.

Primary receipts were also very large- 1,932,000 bushels. This is considerably larger than last week and compares with only 860,000 bushels last year; this, all in spite of the fact that the Farm Board is supposed to have taken quite a little wheat at some of the smaller markets.

Reports from the Winter wheat territory continue to be very optimistic. One well-posted man thinks that the Texas Panhandle might raise 50,000,000 bushels after the recent fine rains, and if this is the case, the whole state might raise a crop of 70,000,000 bushels. It is not at all unlikely that the Winter wheat crop might produce 700,000,000 bushels, and this together with the large carryover will make it less important as to the exact amount raised in our Northwest.

Corn was weak early, but sentiment turned bullish because of the firmness in wheat; the December delivery showed independent strength during most of the session.

Cotton also recovered from Saturday's weakness, but fundamentals show no improvement.

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FORT WORTH GRAIN AND COTTON EX.

May 5th, 1931.

Cables were a keen disappointment this morning, and overnight export business both in hard winters and Manitobas was small. We are convinced that some of the recent export business started by the Farm Board will result in freer offerings of hard winters abroad, and this no doubt will have its effect in depressing values in Europe.

There were scattered showers reported over parts of the American and Canadian Northwest, altho the amounts indicated were generally light and traders on the whole were inclined to belittle the moisture thus far. The forecast indicates some further rains in the winter wheat belt altho not very much for the next 24 to 48 hours in the Northwest. Those in whom we have great faith in reading the map seem to think that a condition is developing where rains will be encountered over most of Canada toward the end of the week, and because of their correctnexs in having called the break in the weather in the Southwest some time ago, we mention this fact now.

Receipts keep fairly large in most markets, and the primary movement today was almost twice as great as last year- 840,000 bushels and also slightly better than last week. We think during the balance of this month that farmers generally will make every effort to take advantage of the stabilized price, and in so doing the movement will probably keep up for several weeks.

It is still our opinion that the main reason for the firmness in wheat is lack of pressure. This, however, will increase as we draw nearer to the new crop. As the season is quite early it seems reasonable to suppose that maybe the movement will start before another eight weeks, which of course will change the entire aspect of things

Stocks so far at Kansas City, Minneapolis and Duluth show a decrease of 193,000 bushels, and the visible supply will also show a moderate shrinkage again next Monday; but on the whole the total quantities left are too large to give the bulls very much encouragement.

Trade in corn was also light; nearby futures were somewhat weaker in sympathy with wheat, altho the December future held quite well. Country offerings to-arrive were light and generally held somewhat above the market.

Cotton reversed its tendency of yesterday, and we think short covering, which was the feature of that market, was less of an influence today.

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FORT WORTH GRAIN AND COTTON EX.

May 6th, 1931.

Liverpool quotations were practically as due, and with the securities market ruling weak, discouraged holders sold out some of their yesterday's purchases. During most of the session a very quiet market was encountered and trading incentives for the moment seem to be lacking.

Statistics continue about as heretofore- Kansas City, Duluth and Minneapolis so far show a net decrease of 247,000 bushels, and we are inclined to the belief that on Monday the visible will probably decrease between 1,500,000 bushels, and 2,000,000 bushels. The primary movement was very large- receipts being 811,000 bushels, which compares with 670,000 bushels last week and 383,000 bushels last year. It was also reported that the overnight business both for hard winters and Canadian wheat was small, and the reports from New York also claimed that recent offerings of hard winter wheat were considerably reduced from prices of a few days ago. To offset this, traders still have in mind the rather large clearances from North America on Monday, and the division now shows that 1,147,000 bushels were shipped from the United States and 6,372,000 bushels from Canada; the latter probably includes an accumulation of business from Montreal, but in any event confirms reports recently made of a larger business.

Southwest weather remains just about perfect, altho there is a slight possibility of a light frost in Kansas over night. Weather in the Northwest included numerous showers, altho nothing heavy in Canada. It is thought that by next Thursday a showery condition might develop in Saskatchewan and Alberta, and with this in mind Winnipeg does not go very far on the bull side.

In spite of large receipts May wheat, with very small trade, was bid up almost 1¢ a bushel, but we presume most transactions are in the way of evening up, realizing that the Government will probably not let the price decline below 81¢. At times the difference between July and September wheat narrowed to about 1/4¢ a bushel; we still feel that finally July wheat will have to sell at a carrying charge under the distant month.

Trade in corn was somewhat better; sentiment was also more friendly, so that a 2¢ bulge was possible. It is claimed that an outward movement from Chicago should strengthen the yellow cereal; primary receipts are not burdensome- being 428,000 bushels against 734,000 bushels last week and 596,000 bushels last year.

Rye also was in better favor- quite a few buying orders came into the pit.

Cotton news remains bearish and much warmer weather might reach the belt the latter part of this week, which makes buyers timid. A friend of ours tells us that the decrease in acreage will be small, with the carryover likely to be 9,000,000 bales.

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FORT WORTH GRAIN AND COTTON EX.

May 7th, 1931.

Liverpool wheat cables were quite weak this morning, and as we have noted right along offerings of hard winter wheat from this side are being made at greater concessions. In spite of this, and a lower price level in Canada, New York reports indicate sales of Manitobas and hard winters as next to nothing. Russia shipped 1,000,000 bushels and Argentine estimated shipments are 3,859,000 bushels.

Meanwhile there have been fine rains over a very widely scattered area in Canada. Our weather expert had given reason to believe that there should be a break-up both in Saskatchewan and Alberta, and he now says that the map gives the best indications for further moisture- not only in Canada but in our Northwest as well, as anytime on this crop. We are hopeful therefore, that the farmers' great wish will find fulfillment.

Reports from the Southwest are almost uniformly good. We think that when the Government makes its estimate on Friday that it will predict a crop of winter wheat large enough for home consumption in this country for one year; therefore, whatever Spring wheat is grown will be left for export.

Meanwhile trade in our May wheat shows signs of congestion. We doubt if the Farm Board is offering much of its holdings, and by holding up the price, they should easily have 250,000,000 bushels of wheat on hand in all positions when affairs are wound up. It has previously been reported that the Farm Board made sales estimated at about 12,000,000 bushels, consisting of its Seaboard and Atlantic wheat. Statisticians figured out that on basis of Chicago, they probably got less than 50¢ a bushel for these sales. Now, if we are correct in our assertion that they will have 250,000,000 bushels of wheat left, then they have only sold about 5% of their total holdings, and it will be very interesting to find out what price the other 95% will bring. We also understand that 5,000,000 bushels of elevator capacity is being added in Omaha, and with this increased space and enough winter wheat in prospect to equal a year's consumption we think that the September-December differences will widen very much.

Other news remains about the same as usual. Primary receipts are large - at over 800,000 bushels, which is quite a little more than last week and about 300,000 bushels more than last year.

Trade in corn continued to favor the bull side, and it may be possible that temporarily this article has parted company with wheat. However, should the leading cereal suffer drastic declines, the consequences might be wide-spread and affect coarse grains also.

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FORT WORTH GRAIN AND COTTON EX.

May 8th, 1931.

Liverpool wheat cables responded to about the same extent as we had declined after their close yesterday, and therefore furnished no surprise. Overnight news was scarce. There had been further rains in parts of Alberta and Saskatchewan, with a forecast for showers in Manitoba and Saskatchewan, but clearing conditions over Alberta. As the session progressed reports came in to the effect that the recent rains had been inadequate, and with a slightly higher tendency in Winnipeg, it took but little short covering to rally prices in our market.

Bradstreet's clearances for the week showed a big jump- they were over 10,000,000 bushels as against 4,000,000 bushels last xxxx week. On this basis, the indications are for world shipments of around 20,000,000 bushels; but we call attention to the fact that while the Bradstreet clearances last week showed only in the neighborhood of 4,000,000 bushels Broomhall's figures, which take in slightly different days, showed actual shipments of 7,500,000 bushels. It may therefore be that Broomhall&s figures on Monday will not quite come up to Bradstreet's figures of today.

Other news was about in line with recent developments. Primary receipts were 844,000 bushels as against 366,000 bushels last year, and of course, with the Government stabilizing the price of the Old May wheat, it is natural that farmers take advantage to secure a 20¢ premium at this time compared with what they would get by selling after July and losing the interest on their money.

The general export business was very light overnight, both for hard winters and Manitobas, and most of the trade right now consists of shipping first and then selling afloat stocks. We are advised that there is much unsold wheat still afloat, and this will keep foreign markets from becoming nervous. At the same time we look for differences between Liverpool and Chicago to adjust further, and finally would not be surprised to see Liverpool July 13 to 15¢ over Chicago.

Stocks so far at Kansas City, Duluth and Minneapolis show a net decrease of 191,000 bushels; therefore, the decrease in next Monday's visible will have to come mostly from xx clearances. Some wheat is being moved out from Galveston and New Orleans, and it is not unlikely that there will be a 2,000,000 bushel decrease at that time.

The Government report to be issued later in the day will undoubtedly show very heavy yields of winter wheat in prospect. There are opinions now confident that Texas, New Mexico, Oklahoma and Kansas will make 350,000,000 bushels of wheat, and that Missouri, Arkansas and Colorado will add about 50,000,000 bushels more- giving a total of 400,000,000bushels for the extreme Southwest. There seems to be plenty of moisture for the next twenty days by which time wheat will be headed out as far North as South-Central Kansas.

Corn was fairly strong at times; the local element seems inclined to take a bull position, and they are encouraged by the fact that upward trend shows signs of least resistance.

Rye is also easily bulled right now- it takes but small purchases to advance the price. Local traders were responsible for much of today's upturn. Cotton enjoyed a further recovery- mostly on short covering in sympathy with a better stock market.

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FORT WORTH GRAIN AND COTTON EX.

May 9th, 1931.

Liverpool wheat cables this morning were just about as expected, and yesterday's Government Report, while bearish in itself, furnished about the same figures, on an average, as the private crop experts indicated; therefore, was of little market influence. We called attention to the fact sometime ago that there will probably be about as much winter wheat raised as the entire country could consume in one year, and we think that with the successive raising of par value as time goes on, it is not at all unlikely that the winter wheat crop could finally be in the neighborhood of 700,000,000 bushels. Therefore, it is no question of importance as to just how much spring wheat will be raised.

In any event, we construe the long-time weather predictions as very favorable. We do not believe that the cables on Monday will follow, as Europe is temporarily over-bought and Winnipeg is lagging. However, the market remained strong during most of today's session on account of the dryness in our Northwest and Canada - particularly Canada, where clearing weather is temporarily setting in. However, Winnipeg followed us rather reluctantly, and we think this is because of the fact that there is too much wheat and quite a little consigned abroad still unsold.

We expect a fairly good sized decrease in the visible supply on Monday and very large world shipments- possibly between 18,000,000 and 20,000,000 bushels, and the latter is apt to furnish a great assurance to European buyers without their having to bid prices up.

The primary movement is still large- about 846,000 bushels today against 1,048,000 bushels last week, but only 563,000 bushels a year ago. Of course the high prices prevailing for May wheat in all markets are attracting farmers' attention, and they are making every effort to get the advantage of this stabilized situation.

The trade is overlooking practically everything except dry reports from the Northwest. We know it is a human failing to broadcast bad news much more quickly than good news. It is our belief that when the crop starts to move the price level will be considerably lower; we have seen so often where news does not make the market, but rather the market makes the news.

Corn was in demand during most of the session; a local operator is said to be playing the bull side. Primary receipts were only 369,000 bus. against a 560,000 bu. last week and 514,000 bushels last year, and further reports of shipments out of Chicago. This makes July shorts somewhat apprehensive, as track deliveries on the last three days of July must consist of country-run grain, and the storage situation in Chicago is such that there is very little room available in public houses.

Cotton hardly showed any change since yesterday. We continue to feel bearish.

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FORT WORTH GRAIN AND COTTON EX.

May 11th, 1931.

Liverpool wheat cables were rather disappointing today, being lower, while we had quite a sharp advance, both in the United States and in Winnipeg on Saturday after they were closed. It confirms our belief that Europe has overbought lately, and of course the world cannot absorb almost 20,000,000 bushels of wheat a week, which was the amount of the world shipments, while last year they got along with 12,000,000 bushels.

Statistical news continues to be bearish today; visible supply decreasing only about 1,800,000 bushels compared with close to 6,500,000 bushels in 1930, and the total is now 194,000,000 bushels, or 68,000,000 bushels more than similar period in 1930. We were surprised that in spite of all efforts, the Eastern and Gulf Ports did not decrease their stocks very much- only 529,000 bushels, and they still have over 15,000,000 bushels to dispose of to make room for the new crop. In this connection, it occurs to us, after analyzing the last Government Report, that the situation in this territory really will be equally as bad as at the Gulf Ports. It seems that the promise of Illinois and Indiana wheat crops is for about 70,000,000 bushels, and as this wheat cannot compete with the Gulf wheat shipped from Texas at the beginning of the crop, all the surplus which the mills do not take must be shipped to terminal markets, particularly Chicago; therefore, it would be a misfortune if Chicago would not empty its bins so as to make room for the new wheat, which the farmer must dispose of. Or course, we presume it will all be done in due course of time.

In the meantime, primary receipts keep up very large- 1,390,000 bushels compared with 708,000 bushels last year, and we assume that this movement will continue for the next three weeks, as long as the stabilization corporation pays the high prices for the cash wheat.

Some people seem to be alarmed on account of reports from Russia that spring seeding is being delayed, but it has been our experience, not only in this country but everywhere else, that somehow or other the farmer manages to sow his crops and harvest them when the time comes. It has happened in this country already that seeding was delayed very much, but in the end the task was accomplished and the crops were harvested. We think it is too early yet for any alarm on that score.

Corn could not continue its upward movement which it started last week, but it was relatively firm. We believe the lack of storage room everywhere this year will play quite an important part in shaping corn prices. The elevator concerns here will all try and have every inch of room reserved for wheat, so we can never expect a great accumulation of corn, and if this is the case, any concentrated holding might be very effectual.

Cotton was very weak today; it is the general supposition that we might have a carryover of almost 9,000,000 bales, which will prevent sharp advances unless a miracle should happen in the way of a very poor crop.

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FORT WORTH GRAIN AND COTTON EX.

May 12th, 1931.

Liverpool wheat cables were very indifferent today and were no factor in influencing our wheat market. The chief consideration is still the weather in our Northwest and Canada, particularly the latter country, and since they had no rains overnight and no great prospects for same in the immediate future, the feeling became more bullish and the undertone was strong during the whole session, altho the trade remained extremely dull.

Wheat also received some help from the great strength in corn, and this cereal is gaining friends right along. The news otherwise was not very important- much the same as right along. The winter wheat crop prospects are excellent, the primary movement is pretty fair and stocks are decreasing very slowly.

The Farm Board came out with several statements; the most important one being that activities of the stabilization board will end with the expiration of the May future. This really was nothing new, altho there is some question of a doubt as to what will happen during the month of June with the old wheat, altho it is pretty well conceded that nothing will be done with the new wheat should same move in June. The underlying wheat situation still remains very bearish when we consider that the carryover in North America will easily be 450,000,000 bushels of wheat, and with the winter wheat crop now quite likely to be about 650,000,000 bushels, or a total available supply of 1,100,000,000 bushels; with consumption of 750,000,000 bushels there will be left 350,000,000 bushels for export and carryover, not counting a bushel of Spring wheat in United States or Canada.

Receipts on corn are very light and it certainly looks like the amount back in the country this time must have been very largely reduced. We think shorts in July corn might be in a tight hole as all the available storage room here in Chicago will be used for wheat, where the profits are more promising.

There was a good demand for rye from Germany, and it is reported that that country has to buy considerably larger quantities yet before the end of the crop year.

Cotton remained dull and neglected and tends lower.

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FORT WORTH GRAIN AND COTTON EX.

May 13th, 1931.

iverpool wheat cables were slightly higher today, and were no mportant factor. All eyes in the wheat trade are turned on anada, and the development of the crops there undoubtedly will be ne most important influence in making prices for sometime unless nere should be a radical change in other important countries in ne meantime. As near as we can size up the Canadian situation at ne present time, it is like this: there is a lack of sub-soil oisture, and rain is very desirable. The farmer is very nervous bout the situation because every day that it does not rain makes ne situation just that much more precarious. However, May is sually a month with plenty of precipitation in Canada, much the ame as April is in this country, and a few good soaking rains ould change conditions materially. In other words, there has been o irreparable loss made yet, but the danger that such would occur ncreases as days go by without rainfall.

o show how much crops in Canada vary, we wish to point out that in ne year 1915 the wheat result was almost 26 bushels to the acre, nd in 1919 only 9.32 bushels per acre. Of course, both years were xtremes, and the probability is always for a yield of 16 to 18 ushels per acre. The planted acreage given now as 22,000,000 cres, in the extreme case as in 1919 would give a crop of only 00,000,000 bushels, and a crop like in 1915, about 500,000,000 ushels. Even the worst crop of 200,000,000 bushels, with a probable carryover of about 140,000,000 bushels, or 340,000,000 bus. ould really be no calamity, provided as above stated our winter heat crop would not deteriorate very greatly. Prospects for hat are still 650,000,000 bushels, with a possibility of 00,000,000 bushels if all should go well .

n the meantime, Europe is buying only very sparingly, and our reorts are that very little was worked overnight. According to roomhall, shipments from North America of about 10,000,000 ushels last week were divided as follows:

From the United States - 1,682,000 bushels
From Canada - 8,314,000 "

hese are comparatively small shipments from the United States conidering that there are great efforts made now to clean some tlantic and Gulf Ports, as well as the Pacific.

here certainly is a tendency now to reduce acreages. The acreage lanted to winter wheat was smaller last year, possibly a million cres. In spring wheat it will probably be 1 1/2 million acres d in Canada 2 million acres. This no doubt will be repeated in ustralia and Argentina, so that within a year or two we shall robably again have normal acreages corresponding to the consumption. d the Farm Board not interfered and kept up the price artificially is all would have taken place earlier.

imary receipts today were almost 2 1/2 times as large as last ear; 1,091,000 bushels compared with 419,000 bushels in 1930.

spite of the great strength in wheat, corn declined today- obably due to much more favorable weather, and receipts were also out 532,000 bushels, compared with 386,000 bushels last year.

could not hear of any further export sales of rye from this untry or from Canada, but understand Russia is also in the market w as a seller; nevertheless, that cereal remained reasonably rong.

tton at one time sold at almost the lowest price in years, and th poor business generally probably will decline further.

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FORT WORTH GRAIN AND COTTON EX.

May 14th, 1931.

Liverpool wheat cables were comparatively weak from start to finish, and possibly the fact that Russia and the Black Sea again started exporting wheat may have been an influence. The Black Sea shipments are reported to be about 1,500,000 bushels of wheat; this with the Argentine and Australian shipments probably will amount to about 10,000,000 bushels, without North America, and it is easy to see that the world shipments will again exceed requirements of importing nations.

At first the weaker situation abroad was ignored on account of continuation of dry weather in Canada, but when later on the forecast indicated just a few possible showers, sentiment turned very bearish, and the feeling is so bearish, outside of the Canadian news, that no recovery took place whatsoever.

From the Southwest prospects continue to be extremely favorable, and Texas with normal weather is likely to move wheat in commercial quantities around middle of June, so that in four weeks more there will be competition of this new wheat with the old wheat. Attention was also called to the fact that a great number of boats are lying idle here- they could be chartered very cheaply and a great saving in storage charges could be effected by loading some of the wheat from public warehouses into these boats- killing two birds at one time; namely, by paying less storage charges and making room for the new wheat. This caused more pressure on the July wheat, as there is nothing but lack of storage room in the way of an accumulation of wheat here whenever it starts to move. We believe under the circumstances that July wheat will gradually go to a big discount under the September.

Primary receipts continue to be large- 774,000 bushels compared with 480,000 bushels last year. There have been larger clearances from the Atlantic and Gulf Ports- about 525,000 bushels, and as Duluth is also shipping some wheat, the chances are that the visible supply will show quite a good decrease this coming week, but this should not affect the market, as it is nothing unusual at this time of the year.

Corn had spells of weakness right from the start on account of more favorable weather, and the weakness in wheat affected corn at times, and vice versa.

Oats and rye followed the leading cereal and also showed a decline.

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FORT WORTH GRAIN AND COTTON EX.

May 15th, 1931.

Liverpool wheat cables were weak again today and their weakness can easily be explained, as they are getting wheat from all over the world, and it looks to us as if world shipments might again be close to 20,000,000 bushels, which is much above requirements of the importing nations. Australia continues to ship over 5,000,000 bushels a week, and North America cleared 9,356,000 bushels compared with 7,800,000 bushels last year, altho a trifle less than last week when shipments were above 10,000,000 bushels; the clearances so far from North America exceeded those of 1930 by 47,000,000 bushels, which is not a very large amount considering the quantities which were raised in the United States and Canada, and it still looks to us as if the carryover this season would be considerably above that of last year.

Just as a reminder to what low levels our visible supply had shrunk at times during post-war years, when naturally prices were high, we show the following totals:

Year 1917	Aug.	25th	4,000,000	bu.
" 1918	June	15th	1,000,000	"
" 1919	July	12th	5,000,000	"
" 1920	"	17th	16,000,000	"
" 1921	"	2nd	8,000,000	"
" 1922	"	15th	15,000,000	"

Under these circumstances, the fact that our visible supply probably will show quite a large decrease this week from approximately 195,000,000 bushels, will be of no consequence. However, inasmuch as stocks at Duluth, Kansas City and Minneapolis so far decreased 1,531,000 bushels, we expect quite a considerable reduction in the visible supply on Monday.

Primary receipts are still keeping up - being about 2 1/2 times larger than last year - 1,091,000 bushels compared with 412,000 bushels in 1930. There were some more clearances today of American wheat- 80,000 bushels at Galveston and 28,000 bushels at New York, all of which is not sufficient to relieve the situation materially.

There were no rains of any importance in Canada. While we believe that the moisture question compares favorably in Canada with last year up to April 1st, there certainly was a great deficiency from April 1st to May 13th in Canada as follows:

In Manitoba average rainfall	0.40	inches	
compared with	2.70	"	in 1930
Saskatchewan	0.28	"	
compared with	1.81	"	in 1930
Alberta	0.69	"	
compared with	2.05	"	in 1930

Of course, this might be overcome in time, but at the present time it is worthy of consideration.

5-15-31

At one time during the session it started to sprinkle in Alberta, and it immediately caused a break in the market, showing how nervous the trade is. Predictions are for possible showers in Canada, and tomorrow's market will depend largely upon whether these predictions will materialize, and to what extent.

Another influence today was the extreme weakness in stocks, and of course, should the general business situation not improve materially, it will be another depressing factor. However, it is always dangerous to sell wheat on the stock market and not on conditions, as stocks have been depressed for so long now that at any time an upward change might take place.

Corn closed a trifle lower, and was somewhat influenced at times by fluctuations in wheat.

Oats and rye continued to be neglected.

Cotton sold today at the lowest price experienced lately, and we do not think the end of the decline is in sight.

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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 16th, 1931.

Liverpool wheat cables again were very indifferent. The weather map for Canada showed a few unimportant rains, but predictions are for more extended precipitation over Sunday in the three Provinces, and this more than anything else effected our market, which became very weak. The fact that our Winter wheat prospects are way above an average- perhaps even promising a freakishly good crop- and that nowhere in the world at the present time is there any great danger of wheat yields being much less than average, it only required some hope that Canada will not have a crop failure, to make bearish activities very pronounced.

There also was a statement out from Washington that the Farm Board considers its wheat holdings already burdensome, and is not inclined to add to them. The Farm Board has been more or less an active buyer of wheat for about eighteen months, selling only very limited quantities; from now on they may become very sparing buyers and very active sellers. This of course will change the whole picture. We think this had a great deal to do with the narrowing between July and September wheat, which for the first time in a long while sold at about even money. We adhere to our belief that July wheat will sell at a big discount under September.

The Farm Board has mentioned many times that sufficient storage room will be existing for the movement of the new crop, and therefore do not believe they will tie up all the storage room, but will see to it that the farmer will be able to sell his wheat. Now, it looks as if 70,000,000 bushels of wheat will be raised in Illinois and Indiana, and the best market will be Chicago, with the exception of small quantities which the mills will buy. We, therefore, believe that sooner or later the Farm Board will ship some of its large holdings from Chicago, so that room will be provided for the new wheat which the elevators will bring in here; they will hedge it in July wheat and deliver it and we shall have a normal carrying charge.

June wheat was particularly weak today, as the belief is gaining ground that the farmers who were supposed to hold, according to the Government Report, 160,000,000 bushels of wheat on March 1st, have not sold it all yet, that there will be a good movement in June, and that possibly the Farm Board may not purchase it. But even should they do so, they certainly will not pay fancy prices for the new wheat which will move in June, and then in July we should have an avalanche of wheat, with the early prospects.

Corn, oats and rye all suffered in sympathy with the decline in wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
ORK COTTON EXCHANGE
ORK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX
ORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 18th, 1931.

verpool wheat cables were very weak today- partly influenced by
r decline on Saturday, and probably they also had information
at the weather in Canada had been more or less showery over
nday. From all we can gather there were rains there Saturday
d Sunday, and it was raining again today. The precipitation was
t heavy anywhere, but it was very general and will relieve the
tuation quite materially. There are more rains or snows pre-
cted for tomorrow, and in a day or two we can come to a better
derstanding of just how much the situation was relieved. We
gure there was about normal rainfall for seven months up to
ril 1st; from then on until last week there probably was a
ficiency of 1 1/2 inches; certainly this has not all been made
but we are advised from our Canadian friends that we have
rdly entered the period when Canada commences to get its heaviest
d most generous spring and summer rains. There were also rains
our Northwest. Nature has been so generous this year that the
eat crop is almost perfect, with the exception of the Spring
eat territory, and as there is no immediate outlook for a crop
ilure, the bear side looks again like the winning one. Of course,
these low prices one must be careful, as with the light trading
e market will be oversold from time to time, and consequently,
ere will be reactions upward, but permanently we can only look
r lower prices, particularly where the commercial situation is
so getting worse instead of better.

atistics continue to be extremely depressing; primary receipts
wheat were 1,952,000 bushels compared with 1,026,000 bushels
st year. World shipments were almost 20,000,000 bushels com-
red with half as much in 1930. The amount on passage increased
000,000 bushels, and is now 26,000,000 bushels larger than last
ar, which certainly makes Europe very independent. The visible
pply decreased only a little over 2,000,000 bushels compared
th 4,000,000 bushels last year, and the total now is 70,000,000
shels more than in 1930. We presume there is also more wheat
the Pacific Coast which does not show in the visible supply.

th all the efforts the Farm Board is making to clear the Atlantic
d Gulf Ports in time for the new crop movement, there was only
decrease of 799,000 bushels at all these ports. Washington
ports that the four largest exporting countries had on May 1st
out 703,000,000 bushels of surplus wheat left. When it is con-
dered that the total exports so far this season from all countries
nce July 1st, 1930, up to date, were only about 682,000,000
shels, and probably will be 702,000,000 bushels at the end of
is month, it would seem that there is as much wheat left in the
porting countries to supply, on similar basis, the world for
even months. The four largest exporting countries, outside
Russia, have already enough wheat to supply the world with its
rmal requirements for eleven months, and whatever is raised for
port this year all over the world will have to be carried over,
th the exception of one month's supply.

ere was also a sharp decline in cotton today, reaching the lowest
ice in a long time. This naturally caused more concern again
out wheat prices, because if cotton cannot be stabilized, the
asoning naturally would be that it will be equally difficult to
abilize wheat prices.

rn, oats and rye all suffered in sympathy with the general
kness in all commodities.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK COTTON EXCHANGE
EW YORK PRODUCE EXCHANGE
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 19th, 1931.

Liverpool wheat cables came fractionally higher than due, which in the absence of any other important news gave us a slightly higher opening.

There were more rains reported in Manitoba, and while the whole of Western Canada has benefited somewhat from moisture, the total amount of rainfall in the three Provinces was only very moderate; a few points received a half inch or more, quite a number of places about quarter of an inch, and the balance somewhat less. The further fact that cooler and drier weather is predicted up there makes us feel that the situation has not been sufficiently relieved, and the Canadian weather condition will continue to be an influence more or less. However, we do not expect such excitement as usually occurs in years of dry conditions in Canada, as in the meantime our Northwest has been favored with timely precipitation, and the Southwest conditions remain unchanged and almost perfect. In fact, we had a wire today from Texas wherein an enthusiast reported some more rains- adding that perfection has been added to an already perfect condition. The weather forecast predicts heavy frosts in Nebraska and lighter frosts in Northern Kansas; we believe that the Nebraska crop, which is later than the Kansas crop, probably will not suffer materially unless the frost should be very severe, and it is not likely that the light frost will hurt the crop in Northern Kansas, but if it does, the outlook is for such a freakishly good crop that a little damage would not amount to anything. Nevertheless, it was a market factor, and as there is no new wheat hedged yet, we easily enter into an oversold condition, which has to be rectified by short covering; this took place and we had a reasonable reaction from the low point of yesterday.

Fundamentally there is no change in the situation; the real test will come when new wheat commences to move. Primary receipts continue to be heavy 987,000 bushels compared with 605,000 bushels last year. Stocks at Duluth, Kansas City and Minneapolis increased 117,000 bushels, but the clearances were heavier at the Seaports- 160,000 bushels from Galveston and 382,000 bushels from New York.

New May wheat sold today at 85 1/4¢; the recent wheat sales of about 13,000,000 bushels are rumored as figuring about 46¢ in Chicago- this is a difference of about 40¢, but yet it is claimed that there is no dumping abroad, nor any corner in this market.

There was also a considerably better feeling in corn and receipts were also lighter; total primary receipts being only 391,000 bushels compared with 536,000 bushels last year. Corn showed quite an advance.

Oats and rye both improved a little.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 20th, 1931.

Liverpool wheat cables varied very little and were no influence. However, news otherwise was very much more plentiful. Canada reports that rains had been insufficient, and there was no more moisture reported except at Edmonton in Alberta; rains are mostly needed in the large territory in Saskatchewan. Then there were frosts reported in Northern Kansas and Nebraska; the Nebraska frost may be entirely ignored, as the crop there is not sufficiently advanced, but in Northern Kansas it might do some damage- nobody can tell as yet how much. Wheat is further advanced this year than usual, but from the information we have at the present time we do not believe that the frost was sufficiently wide spread to curtail yields in the end very materially, altho nothing sure can be said on this point. When it is considered that Kansas had a possible crop promise of 200,000,000 bushels, providing there would be no disaster or setback of any kind, we do not think there is any reason to be alarmed as yet. There were also quite a few telegrams received here stating that many territories in Kansas needed moisture. Strange as it may seem, in spite of the many rains, it is claimed that the soil is so dry that the Southwest needs more precipitation right along in order to obtain best results. From the weather map there is a possibility that the situation will be relieved overnight.

Whenever these alarming reports come around the general bearish situation seems to be forgotten. For instance, the large primary receipts- 1,610,000 bushels of wheat compared with 708,000 bushels last year. These receipts include a cargo of Duluth #1 Northern wheat, which was unloaded here, but even without that they would still be very big.

Broomhall reports that out of the North American shipments last week of 8,721,000 bushels only 1,645,000 bushels came from the United States and the balance fromCanada; this is a very poor showing considering that the exporters who have bought large quantities from the Farm Board are trying their very best to dispose of the wheat before it comes into competition with the new crop. Kansas City, Duluth and Minneapolis show an increase so far this week of 98,000 bushels; there were no further clearances from Gulf or Atlantic Ports.

This country imported so far 17,122,000 bushels of Canadian wheat, most of which was turned into flour and ground in bond; this compares with importations of 10,072,000 bushels last year.

May wheat, particularly the new, continues to be very strong and is selling at 86¢ here; this is a higher price than wheat is selling anywhere in the world, as far as we know, except where they have big import duties, and certainly much higher than at Liverpool.

At the London Conference Mr. McKelvie claimed that this country is not going to dump any wheat, and the Russian representative also claims they are not dumping any wheat; nevertheless wheat from both countries is being sold abroad cheaper than at home. Therefore, if the London Conference wants to obtain any results, and where dumping plays such an important part, we think this word requires a new definition, or else it will be difficult for the layman to understand just what they mean.

Corn, oats and rye all sympathised with the sister cereal and sold higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 21st, 1931

Liverpool wheat cables today were weak and closed still lower. Liverpool prices would look ridiculously cheap if one could forget for one moment the extraordinarily bearish situation abroad, but yet it is understandable with Russian and Black Sea Ports shipping again 1,600,000 bushels, which no doubt will be followed by the other three large exporting countries also shipping large quantities.

The news before our opening was also very discouraging; everybody seemed to have forgotten that there were frosts the day before, and the Southwest country, which according to some opinions had been too dry, was favored with very generous rains, so that this bull argument is out of the way for sometime to come. Then they had some rains in Alberta and a few showers in Saskatchewan, with possibility of more.

Under the circumstances, wheat opened quite weak, declined further and had but very little rallying power.

Statistics continue to be quite extraordinary for the time of the year. Primary receipts of wheat were about three times as large as last year- 1,252,000 bushels; the interior points at Kansas still have heavy receipts, and it is quite likely that at least until the end of the month the movement toward terminal points will keep up. There were no clearances from the Atlantic and Gulf ports, and stocks at Duluth, Kansas City and Minneapolis together decreased only 126,000 bushels so far this week.

May wheat continues to keep quite strong. The Farm Board apparently is accumulating large quantities at prices which will look very high in a week or two from now. Kansas City receipts seem to be picked up at 73¢ or so, and unless there is a material change in the market, 53¢ will be a good selling price in a few weeks. We are getting very close to the period now when the actual movement of wheat will take place and hedging sales will be in order. Whenever that time comes we think July wheat will sell at a big discount under September.

Corn, oats and rye were influenced by the weakness in wheat and declined.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 22nd, 1931.

Liverpool wheat cables were weak today, and that market will be closed until Tuesday morning. The indifference in Europe can be easily explained by the fact that the Argentine shipments were again very heavy- about 5,500,000 bushels, and with the American clearances over 8,500,000 bushels, the world shipments probably will be 18,000,000 bushels or more; this is more than the importing countries will require.

We undoubtedly would have had a very much lower market had it not been for the fact that there were frosts in Kansas in some important counties. As near as we can figure it, the territory visited by frost must cover from 1,000,000 to 1,500,000 acres; just how much damage there has been done is difficult to tell, and everybody must make his own guess until more is known. On the other hand there were rains also in Kansas, almost over the entire territory where it was needed. The final summary received from our Kansas City Office reads, "The best people think that the rains did a world of good- frost probably did a little damage, but all in all the crop is still in wonderful shape".

The domestic clearances from Atlantic and Gulf ports today were a little better- being 120,000 bushels from Baltimore and 162,000 bushels from New Orleans, or a total of 282,000 bushels. However, we find the reduction in actual stocks at Atlantic and Gulf ports since the Farm Board first made the announcement that it would dispose of 35,000,000 bushels of wheat are not considerable. The visible supply at that time in various Eastern and Gulf ports was 17,377,000 bushels, and on last Monday it was 14,415,000 bushels. It does not look to us likely that the storage situation will be sufficiently relieved to make it very comfortable for the seller of new wheat in the Southwest territory when the crop commences to move.

Primary receipts keep up large- being 1,172,000 bushels, and while they also were very large last year, they are still quite extraordinary for the time of the year.

There are only six more days left until the May future will expire and yet the open interest last night was 25,500,000 bushels, and only 3,500,000 bushels less than a week ago. It is difficult to understand who the shorts are to stand out that long and we can only make one guess; namely, that probably lots of May wheat will still be settled up; perhaps it is possible that the Farm Board may be long some May wheat for themselves and short for subsidiaries, or otherwise.

While we have been told repeatedly that there will be no corner in May wheat, we consider the present price as indicating that it approaches a corner; it is at least a very severe squeeze considering how wheat is selling in Europe and also that the holdings are practically all in one hand.

There were some more showers in Canada, relieving the situation a little, but yet more precipitation in that country, as well as in our Northwest is needed right along for the best development of the crops.

Corn was very weak at times on liquidating sales, but recovered some. Oats and rye fluctuated but little.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sat May 23rd, 1931.

There were no Liverpool cables today- it being a holiday abroad. There were also no rains to speak of in the Canadian Northwest, but the temperatures in the Southwest were very much milder and the consensus of opinion is that there has been very little damage done by the frost, and that the rains in the Southwest were very beneficial. We think when the private experts make their estimate early next month regarding the hard winter wheat crop, they will raise their figures from last month, and therefore, we look for a promise of an exceptionally large winter wheat crop. The weather prophets also indicate more or less moisture in our Northwest, and possibly also in Canada.

As we are approaching the crop movement, it casts its shadow ahead, and with storage room filled up all over the country, after eleven months' movement, the outlook is not very promising for an active demand for the new wheat when it starts to move. Of course, the mills will take some and some probably will be exported, but with wheat in Liverpool selling at 64¢ it is not likely that the quantities wanted will be large enough to absorb the early offerings, and more wheat will have to be stored.

Primary redeipts were very heavy - 1,455,000 bushels compared with 693,000 bushels last year; stocks at Duluth, Kansas City and Minneapolis decreased only 512,000 bushels so far this week; Baltimore cleared 80,000 bushels, but no other domestic wheat was cleared from Atlantic or Gulf Ports. The visible supply last year similar week decreased 3,811,000 bushels, and think the decrease this week will be considerably smaller. It, therefore, looks to us as if it would require some great crop deterioration before the situation would turn bullish, altho we fully appreciate the low prices at which wheat is selling now.

At the close July wheat practically sold at the lowest price on the crop.

In our letter of May 1st we claimed that cotton was then the highest commodity, and we find that since that time it has declined 110 points, or $5.50 per bale.

Corn simply is following the general trend of prices, in spite of very light receipts; there were very few buyers, a slow demand and the decline continued. From now on we think weather conditions will play a very important part in the making of corn prices, but it will be up-hill work to bull it much until other commodities advance. This also refers to oats and rye.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 25th, 1931.

There were no cables today, and the Winnipeg market was also closed, which naturally reduced the volume of business very much. The trade had expected rains overnight, both in our Northwest and in Canada, and were disappointed that they did not take place. There was a little comfort in the prediction of showers between today and tomorrow. All in all theweather map, if anything, would have to be construed as rather bullish, but nevertheless wheat opened lower, showing an extremely inherent weak position. Evidently Canada did not do any business overnight to speak of; otherwise, they would have been compelled to cover their hedges in this market, and the buying at the opening was extremely limited.

Otherwise, news continued to be bearish as heretofore. Our freight broker in New York reports as follows: "The dullness of last week continued to run right thru this, as indicated by dropping down to three fixtures- one to Denmark, one to the United Kingdom and one from the Gulf to the Continent", so evidently the new business is very light. We are also disappointed that the Atlantic and Gulf Ports do not clear elevators faster; we find that from seven Atlantic and Gulf Ports during the week there was a decrease only of 602,000 bushels, which is too slow a rate to clean up that situation.

World shipments were again very large- about 20,000,000 bushels; this is now the third week of heavy shipments to importing nations, and we believe, therefore, that when Liverpool opens tomorrow it will be a rather weak market.

Europe seems to have provided itself pretty well of late.

Primary receipts today were enormous- being 2,312,000 bushels of wheat compared with only 816,000 bushels last season. The open interest in May wheat was reduced 8,500,000 bushels since the last report, and is now down to a little less than 17,000,000 bushels. As the trade in May wheat was very light on Saturday we presume there has been a readjustment made between parties who were possibly long with one commission house and short with another- something which we expected would show up sooner or later. A remarkable showing was made at Ft. Worth today, where receipts were 65 cars; these are pretty big receipts for Texas at the end of the old crop. The visible supply decreased only 275,000 bushels compared with 3,800,000 bushels last year, and is now 73,000,000 bushels more than in 1930. We estimate there are at least 30,000,000 bushels of wheat in positions which do now show up in the visible supply and where there was none last year. We also believe that the Pacific Coast has easily 20,000,000 bushels more, so we can figure about 120,000,000 bushels more wheat than in 1930. This we think more than offsets the decrease in farmers' holdings and in country elevators and mill stocks; we therefore stick to our theory that the carryover will be considerably greater than previous year.

Cotton sold today at new low prices, and the decline since the

first of May is equal to about $6.50 or $7.00 per bale.

Sir Arthur Balfour made the following statement after a visit to Canada:

> "Providing Canada can liquidate her wheat position without too much loss there is no reason why she should not recover economically fairly soon. I think it is the last time in the lifetime of any present Canadian that any attempt will be made to form a wheat pool or to interfere in any way with normal supply and demand for wheat".

We think taking this statement and the results of the London Conference together that the world is learning that the wheat situation can best be solved by not interfering with the natural laws of supply and demand.

Corn, oats and rye all followed wheat more or less, in which fluctuations were small, and they did not show any appreciable change from Saturday.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 26th, 1931.

Liverpool wheat cables today were very weak, but they were entirely ignored in view of the fact that there were no rains either in our Northwest or in Canada, where they had been expected, and furthermore the prediction also was very unfavorable, as dust storms were in sight; of course, the trade became very much alarmed about the outlook of the Canadian crop. There is no doubt but that there is considerable shortage of moisture at the present time in Canada, and nobody can guess what the weather will be from now on- therefore, we have to be prepared for all contingencies.

Under the circumstances we made up a summary of what the supply and demand situation would be on the new crop, on the assumption that the Farm Board should decide to hold either a large share, or all of the wheat they now own, and how much we would have left for export on the assumption of a poor crop in Canada, as follows: This year we exported from North America in 11 months 329,000,000 bushels, which is 40,000,000 bushels more than in 1929, and with the high tariffs in Europe, ought to be sufficient for normal requirements. There probably will be 10,000,000 bushels more weekly exported, so that the total exports would be about 370,000,000 bushels.

Now as a basis let us start -

North America will be called upon to furnish	370,000,000 bu.
There will also be needed for U.S. consumption	650,000,000 "
For Canadian consumption	110,000,000 " or
a total of	1,130,000,000 "

From the present outlook the United States might raise 875,000,000 bushels, so we would require a minimum crop of 255,000,000 bushels in Canada before we would have to touch our carryover.

At the present time Europe must be pretty well supplied with wheat, considering that the amount on passage is 63,704,000 bushels- the largest since June 9th, 1929, when it was 65,184,000 bushels. It is also 29,000,000 bushels larger than last year; therefore, the extreme weakness in Liverpool, where futures at the present time are only about 3 to 4¢ higher than ours, can be explained easily,,and of course this will make export business very difficult when the new crop moves, particularly as by that time the outlook will be for much higher freight rates, as they usually advance in the Fall. In the meantime, while there were no domestic clearances of American wheat, we learn of charters of about 1,056,000 bushels which had been made some time before, and which will load wheat at Galveston, New Orleans and Houston; this wheat is coming into competition with Canadian wheat- in consequence of which their premiums have been declining of late, and in spite of all the excitement,the high prices are based on poor Canadian crop, yet if anything their market is lagging. There were times today when their July wheat sold at about the same price as ours, and their wheat in competing markets is intrinsically worth a great deal more- always selling at a premium abroad.

May 26, 1931

rimary receipts continue to be very large on wheat- being ,464,000 bushels compared with 729,000 bushels last year; this, f course, is due to the high price being paid for May wheat, and atually when June approaches the movement will be very small.

here were also some reports about deterioration in the Southwest, ut they were not generally confirmed by our correspondents, and e believe the outlook for the Southwest crop is for a bumper ield; we think this will also be confirmed by private expert and overnment Reports, when same are issued in June.

he outlook in the soft winter wheat belt must be excellent, as we ave not heard any complaints in days and weeks, and with the rospect of 70,000,000 bushels for Illinois and Indiana, which heat is tributary to Chicago, we look for a tremendous movement fter July 1st. We are also convinced that the Farm Board will reate sufficient room by shipping out some wheat from Chicago, so hat the farmers in the nearby territory can sell their wheat in an rderly way.

he open interest in May wheat declined since yesterday only a few undred thousand bushels- it is still 16,602,000 bushels; this is very formidable quantity considering that there are only hree more business days to trade in May wheat.

orn was very strong in sympathy with wheat; also there were eavy purchases on part of local speculators who think this cereal s low enough.

ats and rye sympathised with the other grains.

otton after a further early break recovered some. While the eather is favorable now for the cotton plant, we are approaching he period when there are usually crop scares, so we think it is est to take a waiting attitude until more is known about the final utcome of the crop.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 27th, 1931.

Liverpool wheat cables at the opening were practically as due, but their actual figures are terribly low. It seems almost unthinkable that at these low levels they pay no attention to any bull news; of course, they are aware that they do not have to confine their purchases to any one country- there being Argentine, Australia, United States and Canada all offering wheat, with the prospect that later on Russia will again make itself heard from.

The news today was rather conflicting inasmuch as Canada again had no rains and there are none in sight for tomorrow; consequently, it can be well reasoned that should there be no moisture over Saturday and Sunday the trade might easily become alarmed. There are good reasons, however, on the other side why the trade does not pay as much attention to bull news this season as ordinarily, in spite of the low level of prices. It is generally surmised that the Canadian Pool will be dissolved on July 31st. If this is the case, the 125,000,000 bushels or so which they have been carrying now for several years, will gradually be disposed of; therefore, even a shorter crop in Canada will give us a very large exportable surplus.

The deterioration of the crop in Kansas is discredited by many people. As a general rule Kansas raises either a large or a short crop, according to the amount of moisture during the year. Now, we find that last week in Eastern Kansas ten reporting stations averaged 1.82 inches of rain for one week, ending May 23rd; Central Kansas, eleven points averaged 1.02 inches; Western Kansas, seven points averaged 1.38 inches. This ought to satisfy every farmer in that State. It has been our experience that when a big state like Kansas has no very poor crops anywhere and when the great bulk has at least an average crop, and some bumper crops, the total outturn at the end is very promising; with this in mind we are still vey hopeful that the final results on the Kansas crop will be very satisfying unless something unlooked-for should happen in the meantime, which nobody can foresee as yet. It is always possible that the pessimists are correct, and finally that the crop deteriorates to what they claim it is now.

Primary receipts are keeping up at a tremendous rate- being almost five times as large as last year- namely, 1,729,000 bushels compared with 351,000 bushels last season; this heavy movement of course will stop after the May deal is out of the way. Bradstreet's visible supply figures show a decrease for the week of less than 2,000,000 bushels compared with a decrease of 12,000,000 bushels last year, and the total now is 417,000,000 bushels against 324,000,000 bushels last year- the largest Bradstreet's visible supply ever recorded at this period of the year. Domestic clearances from Galveston and New Orleans were about 200,000 bushels, and the total North American clearances for the week ending May 23rd were a little over 1,500,000 bushels, which is not very much; the total for the month of April was very close to 7,000,000 bushels, and for the season 107,500,000 bushels, but as the importations of Canadian wheat are probably from 18 to 20,000,000 bushels, the net exports up to the end of April are less than 90,000,000 bushels.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

May 27, 1931

Page 2

The open interest in May wheat is still 16,343,000 bushels, with only two more business days to go outside of today,

We feel that they had wonderful rains in Montana, as well as in our Northwest- more particularly in So.Dakota, but North Dakota could easily use more precipitation.

We are a little lukewarm in making strong recommendations at the present time as we feel that the market will very largely depend upon weather conditions in Canada, and until this question is out of the way, great caution is advisable.

Corn receipts continue to be very light, but nevertheless that market was weaker in sympathy with wheat.

Rye and oats continue to be neglected, but the oat crop promises to be exceedingly good.

Cotton made a new low today; fluctuations will also depend upon the final outcome of the new crop.

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May 28, 1931

Liverpool followed our full decline again, and their July wheat at 62 3/8 and their December wheat at about 65 1/2 look extraordinarily low. If one considers that there are very few of the exporting countries which can ship their wheat at an expense of less than 15 or 25¢ from the place where the grain is grown, it certainly makes a very sorrowful showing for the farmer. Of course Liverpool practically represents the ideas of all the importing nations, and England itself ordinarily absorbs one-third of all the wheat and flour which is exported.

A similarly bad showing is made by Canada, whose wheat, being the best wheat in the world, represented by their July future, is selling at practically the same prices as our July wheat; and such wheat repeatedly has been selling in competing markets at 5 to 8¢ per bushel premium. This also in a country which sends nothing but bad crop reports, some of which are based on a good foundation: namely, less than ordinary moisture. The conclusion necessarily must be drawn that if they have only average moisture from now on their crop cannot be a big one. Should they have less than average moisture, it might be a very poor crop.

As market quotations, as a rule, express consensus of opinions of what the actual situation is, it must be inferred that there are great offsets to the above-described situation, which account for this great indifference in values on part of Liverpool, and they are very plain to see.

The United States wheat crop promises to be extraordinarily large: possibly 900,000,000 bushels of wheat, which would give us an exportable surplus of 250,000,000 bushels. Then there is the fear that the Canadian pool might be dissolved on July 31st, and this would throw another 125,000,000 bushels of wheat on the market, which they have been carrying right along.

Daily news continues to be depressing: namely, primary receipts were very large, 1,719,000 bushels compared with 1,089,000 last year. Even in the interior of Kansas they are rushing wheat to the market so as to get the benefit of the stabilized prices, receipts being as follows:

Wichita	75 cars	wheat
Salina	79 "	"
Hutchinson	149 "	"
St.Joseph	22 "	"

The open interest in May wheat, as of last night, was still 14,700,000 bushels, yet we do not believe there will be any fireworks, and it will all be duly liquidated tomorrow.

5-28-31

r own private reports fromEurope are very encouraging regard-
g the outlook of the crop, and one of our correspondentsin
penhagen predicts a crop as large, or larger, than the crop
1929.

we stated yesterday, we must refrain at the present time from
ving any very pronounced opinions on the market. We have had
purely speculative market now for practically five months. The
rm Board absorbed all the cash wheat and therefore there were
legitimate hedges- this will partly end after tomorrow;
ter that we believe from time to time wheat will be hedged
d there will be more of a balqnce wheel. If the crops turn
t the way they now promise we shall finally see considerably
wer prices, based on the low Liverpool quotations, as mentioned
ove.

rn had a very considerable upturn today, particularly in July
rn; there is a large concentrated interest in that future, amd
erefore the outcome will depend very largely upon the individual
o owns such a lqrge quantity and on his dispostion of it.
ptember corn was lagging.

e and oats sympathised with the stronger feeling in wheat.

tton reached new low prices today.

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FORT WORTH GRAIN AND COTTON EX.

May 29th, 1931.

bles today were again very unsatisfactory; Liverpool July wheat osing at 62 3/4¢ makes it impossible, in our opinion, to sell ch old or new wheat either from Canada or from the United States. is is one of the reasons why, in spite of the fact that the trade very nervous about the continued drought in Canada, markets ow no advancing tendency. They would decline but for the fear at the crop disaster in Canada might change the whole situation, d keep shorts from pressing; the actual cash situation makes ngs very nervous. We believe this unsatisfactory market, which s now lasted for five months, will continue until there is a lance wheel in the shape of new hedging sales. When it is condered that on the 31st of December last year, or five months ago ly wheat closed at 62 1/2¢, and today it was very close to 60¢ l during the session, it is very plain that it needs a free open rket in order to induce speculation.

the meantime crop prospects all over the United States continue be more or less favorable, and opinions tend generally to the lief that the present promise is in the neighborhood of a yield about 900,000,000 bushels, which would give us an exportable rplus of 250,000,000 bushels- a quantity which we have not export- since 1925, in which year crops abroad were extremely poor, and so at that time Russia had not yet been a factor.

imary receipts today were 1,936,000 bushels; no comparison can made with last year, as on the same day there was a holiday. ceipts at Kansas City, Duluth and Minneapolis increased so far is week 284,000 bushels, and it is quite possible that we might ve a small increase in the visible supply this week. In fact, th heavy receipts for a number of days now, we might get another crease in the visible supply next week, as it will be sometime fore this wheat can all be unloaded. Bradstreet's visible pply for the last eleven years at this period of the season mpares as follows:

1921 - 119,611,000 bu.
1922 - 134,157,000 "
1923 - 135,501,000 "
1924 - 184,885,000 "
1925 - 156,072,000 "
-

1926 - 141,991,000 bu.
1927 - 177,597,000 "
1928 - 233,004,000 "
1929 - 318,624,000 "
1930 - 324,008,000 "
1931 - 417,059,000 "

mestic clearances were only 160,000 bushels. Receipts were also ite heavy at interior points in Kansas - for instance, Hutchinson 6 cars and Wichita 52 cars, all of which makes us believe that ere will still be heavy receipts at terminal points early next ne, and soon afterwards the new crop wheat will commence to make self felt.

ade in May wheat had been reduced yesterday to 6,000,000 bushels, d we think it will all be liquidated today. There was no rticular excitement in this future- the old May closing somewhat gher and the new somewhat lower.

ere were quite sharp fluctuations in July corn today- same being ry sensitive as there is supposed to be a large concentrated terest. The close was somewhat lower.

ts and rye continued to be neglected, as they were during the ole week.

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FORT WORTH GRAIN AND COTTON EX.

June 1st, 1931.

iverpool wheat cables were weak today, and the Winnipeg market
ad declined over our holiday. There were no rains reported of
y importance in Canada, and the prediction is also for only
oradic showers- not sufficient to relieve the situation.
dinarily such prospects as we have in Canada would be a great
imulant and would give us a bull market, but there are too
ny offsets at the present time. To start with, June rains
ght do a great deal of good, and nobody can tell at the moment
at the outcome of the Canadian crop will be. However, even with
small crop, assuming that the old wheat will gradually be sold,
ere will be plenty for export. Furthermore, Canada will not
as important as it had been during the last fifteen years, if
ssia again should become an exporter. The winter wheat crop
ospects continue to be excellent, and there were good rains in
ny parts of the Southwest where they were badly needed.

e demand for the old wheat is extremely poor. Our Vessel Agent,
om New York, writes as follows: "The blight that attacked the
eight market two weeks ago is still on. Not a grain fixture
is week". This very poor demand now, and with Liverpool
eat selling only at 62¢, makes it very difficult to work up any
thusiasm.

e Farm Board apparently is still buying the old wheat, and from
at information we can gather, they will continue to do so
til the new wheat becomes a factor; nobody can tell exactly
en this will be the case, but probably shortly after June 15th.

still believe that Illinois and Indiana easily promises a
op of 70,000,000 bushels of wheat, which on basis of present
ice difference between here and Europe, cannot be exported, and
erefore must find a market her in Chicago. At the present
me July shorts are very nervous because there are no hedges,
t of course this will change as soon as there is a wheat move-
nt. While room is very scarce, there is a new elevator being
ilt with 1,500,000 bushel capacity, and we think that this
antity alone will be sufficient to satisfy all those longs who
sh to take delivery.

have not changed our mind that July wheat, in all probability,
ll sell at about 3¢ discount under September when the movement
on.

imary receipts today were tremendous- being over 3,500,000 bushels,
d the visible supply increased 2,106,000 bushels, which is quite
traordinary for this time of the year, and shows again how
terference and artificial prices, when supply and demand do not
stify them, being about tremendous holdings, which in turn again
rk against the price later on.

further depressing factor in the market was the tremendous
eak in stocks; while it should have no direct effect on wheat
ices if conditions otherwise would justify a bull movement, yet
discourages bull speculation, which is always against the price.

rn receipts were pretty fair; of course they were for three
ys, but the demand was very indifferent and prices also suffered.

ts and rye continued to be neglected, but promises of a good
ts crop exist.

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FORT WORTH GRAIN AND COTTON EX.

June 2nd, 1931.

Liverpool wheat cables were decidedly strong today- probably influenced by the fact that there were no rains overnight. There was also some other news out, which attracted quite a good deal of attention; the Premier of Canada recommends that 5¢ a bushel of the freight rate will be paid to the Canadian farmer by the Government whenever wheat is exported. This practically means a bonus of 5¢ a bushel on the new crop wheat, or possibly on the little wheat which is still left in farmers' hands. It is a little difficult to determine as yet what effect this will have on the price. One thing is sure- the farmer in Canada will probably receive more money for his wheat than otherwise, and to this extent the reductions in acreage which are taking place will be delayed. Otherwise, we think the effect will neither be bullish nor bearish, as we know that both Canada and the United States will have to export their surplus based on the Liverpool market. It is also to be considered that this bonus will not affect the wheat which is now in Pt. Arthur and Ft. Williams, and there is also the question of how this 5¢ per bushel would be handled- whether the buyer of futures would obtain it or not after he exported the wheat. It had a stimulating effect on the Winnipeg futures, but yet the total advance at the close was very little; however, it depressed our market a little as spreading operations took place between here and Canada, and with the small business here the selling was not easily absorbed.

The crop in the Southwest continues to make good progress; one of our most reliable and conservative correspondents in Texas, Jerry Henderson, 'phoned from Amarilla, saying that the crops looked fine to him, and that he talked to several big dealers, who say there will not be many sections in the Panhandle that will have less than 12 bushels per acre, and lots of them 35 bushels. The general run of news seems to indicate that the movement will start in Southern Oklahoma between the middle and end of next week, and we look for a very free movement by the end of the month or early in July- plenty to satisfy all short sellers of July wheat.

The primary receipts were very big again today- 1,456,000 bushels, compared with 482,000 bushels last year. However, we believe this will be about the end of big primary receipts until the new wheat crop commences to move.

July wheat was comparatively stronger than the other futures- this solely due, in our opinion, to groundless fears that there will not be any storage room, or that mills will take it all, etc. We cannot imagine that provision will not be made in due course of time so that the Illinois and Indiana wheat can be sold by the farmers. In fact, many times the assurance of Mr. Milnor has been given that there will be no lack of storage room for the new crop, and as he has always lived up to his promises, we feel convinced that when the proper time comes sufficient wheat will be shipped fromChicago to relieve the situation.

Corn receipts are comparatively light, and market reasonably strong.

Oats and rye continued to be neglected.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 3rd, 1931.

Liverpool cables were quite weak today- their July wheat declining again to about 62¢, which price one ought to think is extremely low, and practically corresponds to our level in Chicago of about 45 to 47¢, as there should be 15¢ per bushel difference between the two markets.

There were some showers in the Canadian Northwest- not very much; however, giving some relief, but not doing away with the anxiety of moisture conditions in the Canadian Northwest. There is an offset, of course, in the very large stocks which are still held in Canada, and which are not likely to be carried over again into another crop, so even a short crop with this carryover might make Canada a very strong competitor all during the season.

The important news, however, was a statement that the Farm Board has pulled out of the market and will no longer buy old cash wheat. This naturally led to sharp declines in all the nearby futures of Durum wheat and Spring wheat at Minneapolis, as well as cash wheat in every important market. It furthermore gives us a clearer picture of what the situation is likely to be a month hence when the farmer will want to sell his wheat and where he will depend entirely upon foreign markets to get rid of his surplus. There is no question, therefore, that we have to go down to the European level of prices, or else they will have to come up to ours.

There is another very important statement which has been made by Chairman Stone of the Federal Farm Board as follows: "Stabilization Corporation has announced that up until July 1st it has promised not to sell its holdings of wheat except at a schedule of prices made public sometime ago by General Manager Milnor of the Stabilization Corporation. This price would be around 85¢ for the basic grade at the present time". Now if we interpret this correctly, the Farm Board is under no further promise regarding their holdings of wheat after July 1st, and if they deem it advisable they may sell some of it. Of course, this leaves the guess open to everybody whether they shall do so or not. In our opinion, there will be at least enough wheat sold so there will be no congestion, and there will be sufficient storage room to take care of new arrivals, so that the farmer will be able to dispose of his crop. According to our opinion, with the new storage at Kansas City, amounting to 5 to 10,000,000 bushels which will be ready in July, there will be enough room to take care of the arrivals for sometime. The situation is different here in Chicago; at the present time there is practically no room for a bushel of grain, and there is also a large oats crop raised, which has to be moved. We, therefore, believe that large shipments will follow soon from Chicago to make room for the Illinois and Indiana wheat and oats.

The great declines in various markets in the June wheat naturally affected the July wheat, and there is certainly no more reason now why July wheat should remain at a premium, as it costs in Chicago close to 4¢ to carry wheat from the first of July to the first of September.

Little attention was paid to routine news, and yet it is very significant. Primary receipts were again 1,467,000 bushels, compared with 681,000 bushels last year, which shows that there is still some wheat in the country and that not all the wheat is owned by the Farm Board- a prediction which we had made right along. Even the interior markets like Wichita, Hutchinson, Salina and St. Joseph had very fair receipts- 66 cars. We predicted yesterday that primary receipts would fall off greatly, but we had not figured then on this new condition. If the farmer gets scared now, we may get pretty fair receipts until the new crop wheat commences to move, which will be the case sometime between the 15th and 20th of June, in commercial quantities.

Clearances of United States wheat were a little better today from Atlantic and Gulf Ports- being 348,000 bushels, but the same markets are receiving some wheat right along so the ports really are not being cleaned up very fast.

Corn, in spite of the weakness in wheat, held its own, but this, of course, is a different situation. There is no surplus of corn, and the only argument the bear has is that it is selling high compared with other cereals.

Oats and rye hardly changed any.

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FORT WORTH GRAIN AND COTTON EX.

June 4, 1931

Liverpool cables were about as due at our opening, and there was no great change over there during the session either. Winnipeg market which was closed yesterday opened very firm, evidently impressed with the weather conditions, and there was also a rumor out that the Free Press will come out with a bullish crop report on Saturday. Our market opened slightly higher, particularly for the September and December futures, while July was comparatively neglected and went to a discount while it had been at a premium for a long time. This condition is quite natural as it is being felt that when the new crop commences to move the hedging sales will mostly go into July wheat, and it is not likely any one would wish deliveries of any large quantity.

During the session more confidence was established, chiefly in sympathy with a higher stock market and cotton market, and advances were easily brought about. We consider this bulge as quite psychological as there are bound to be reactions from every new low, particularly until the new crop commences to move; every day we are coming nearer to this period and then of course it will be a guess whether hedging sales can be sufficiently absorbed by new buyers. As far as export is concerned, there are no signs as yet that additional supplies which will be brought to the market can be absorbed by an equivalent of export sales, as tonight with this bulge we are still only about 4¢ under Liverpool.

The Canadian situation remains very uncertain. The fact that the Pool might be compelled to sell some of its large holdings, and the fact that the government is practically giving a bonus of 5¢ a bushel, and furthermore that the crop outlook is very uncertain, all makes guesses as to prices and spreads very difficult.

According to Murray's report farm stocks on June 1st were 4,000,000 bushels less than last year and country mill and elevator stocks 15,000,000 bushels less, total 19,000,000 bushels less. Considering that the visible supply is 77,000,000 bushels larger, and that there is more wheat on the Pacific Coast, it is very plain that our carryover will be much larger than last year. It is true that big mill stocks probably will be smaller than in 1930, but to offset that there is much wheat at various points held by the farm board which does not show in the visible supply.

6-4-31

It is reported that the farm board has chartered about 1,000,000 bushel vessel room to load wheat out of Chicago. This we think is the beginning and there will be room made for the new wheat. This should satisfy the shorts who were afraid there would be no room in Chicago. Those who feared there would be no wheat here in Chicago will also be relieved. Wheat will move to Chicago as usual around July 4th, and with the large crop in Illinois and Indiana, about 77,000,000 bushels, in ever-increasing quantities after that date.

Naturally opinions differed during the crop moving period of what the policy of the Farm Board should have been, and we did not always agree with them, but will admit that they have so far provided for storage room right along, which otherwise would have given the farmer another knock, and we have the greatest confidence that they will continue to pursue this wise policy.

Primary receipts of wheat are keeping up large at 1,140,000 bushels against 624,000 bushels last year. Corn receipts are light, 378,000 bushels against 733,000 bushels last year.

July corn in spite of the strength in wheat, was conparatively weak; it is supposed there are great spreading operations going on, selling July corn and buying wheat. However, all the other futures in corn were stronger, and so were rye and oats.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

June 5th, 1931.

Liverpool wheat cables did not follow our yesterday's advance to its full extent, but they were reasonably strong. Of course, with further advances in prices here today, as well as in Winnipeg, we shall be hopelessly out of line for export in both countries. This, with us, will remain the fundamental basis for the outcome of prices. We were entirely under the influence of bad crop reports from Canada today- estimates being as low as 250,000,000 bushels for Canada, which on present acreage would be a great disaster. Trade was so much impressed with the situation up in that country that the wonderful rains in the Southwestern and Central States were entirely overlooked; nevertheless, they will have to be taken into consideration as the whole of the United States, perhaps with the exception of the Pacific Coast, must look now like a garden spot as far as wheat is concerned, and estimates which were made ten days ago will have to be raised again. So it looks to us as if it would be safe to figure on the United States having a 900,000,000 bushel yield, or more, and if Canada should raise only 250,000,000 bushels, there would be a total of 1,150,000,000 bushels available on this year's result; with a consumption of approximately 750,000,000 bushels there would be 400,000,000 bushels left for export, while probably this season, in spite of low prices, we shall export only about 370,000,000 bushels. Taking a long-time view we can see nothing very alarming about the situation. In fact, it is a Godsend and possibly may give us a chance to somewhat cut into our big carryovers all over the world, providing we do not again make the mistake and keep our wheat off the export market.

Statistics continue to be about the same as heretofore. Primary receipts being 1,034,000 bushels compared with 691,000 bushels last year. The only clearances from United States ports were from Baltimore- 112,000 bushels. Other exporting nations are shipping quite heavily yet- Argentine, Australia, Russia and the Black Sea together 9,134,000 bushels, thus providing Europe very liberally at the present time. Stocks at Duluth, Kansas City and Minneapolis increased so far 628,000 bushels.

A very pessimistic report about the outlook in Canada is expected tomorrow to be issued by the Free Press, but everybody already knows about it, and therefore, it is more or less discounted.

However, the weather map in Canada will be very closely watched, and will be quite an influence for sometime until we get a free crop movement. The bears at the present time can expect nothing much except at best a sagging market until it rains in Canada, or until the wheat moves, and the latter will not move for about two weeks in commercial quantities.

Corn profited somewhat by the strength in wheat, but only to a very limited extent and only for the July delivery. Same can be said of oats and rye.

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FORT WORTH GRAIN AND COTTON EX.

June 6th, 1931.

Liverpool wheat cables were very strong, influenced by our advance yesterday, as well as Canada's . Everybody was prepared for higher markets here, but when reports came fromCanada that they had showers to fair rains, the feeling immediately became very bearish, with quite sharp declines. Later it was reported that rains were insignificant and altogether it was difficult to determine just how much moisture had fallen. We can easily appreciate that with the few reporting statins in Canada and with the large territory, it is difficult to obtain accurate information. We had a great many messages, and our final conclusion is that the rains were by no means general, but they were fairly good at some places and not very heavy anywhere, giving some relief but not sufficient unless much more moisture will be forthcoming. The weather prediction is very uncertain also. There are possibilities of showers in Alberta and Saskatchewan, but readers of the weather map do not think that the precipitation will amount to a great deal, altho may be some help again.

However, there were very good rains in North Dakota, where needed badly; there were rains in the Southwest, and altogether the outlook in the United States could hardly be improved upon.

Under the circumstances, our opinion as to the final outcome of prices has not changed. We need an absolute disaster in Canada, we believe, to lift prices from their present rut, or a calamity in some other country, because the wonderful yields in this country will offset a great deal of damage in Canada, with the enormous carryovers everywhere.

Statistics continue to be bearish; primary receipts of wheat for this week being 9,776,000 bushels compared with 4,000,000 bushels last year. Stocks at Duluth, Kansas City and Minneapolis increased so far 882,000 bushels. One thing is sure- every day we come nearer to the new crop, and we will not have to wait very long before there is a free movement; this will bring new hedging sales, and it will require additional buyers right along to absorb the load, as there have practically been no export sales made in new wheat, and there will be none until we come nearer to the Liverpool basis.

Trade in corn, oats and rye was very light, and these cereals were mostly influenced by the action of wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK COTTON EXCHANGE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX
EW YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 8th, 1931

The recent short covering abroad made Liverpool more sensitive to Argentine pressure, and their market this morning ruled extremely weak. World shipments of 19,000,000 bushels were also partially responsible for this, and their close was at about the lowest figure of the day- being roughly 2¢ lower than on Saturday. This also had a depressing influence upon us, in combination with light showers to good rains being reported in Northern Alberta. As the session progressed rains were also reported in Central Saskatchewan, and from a conversation that we had with one of the leading authorities in Canada, we see little alarm yet, because past experience has shown that even a drought up to this date, if followed by rains the latter half of June would bring about a remarkable recovery.

Statistical news continued mostly bearish; from Sanford Evans' figures we judge that there must be about 21,000,000 bushels of wheat still back on farms, and it now looks as though Canada would carry over 135,000,000 bushels, or more, for next year, so that even a small crop would give them pretty fair supplies at the start. Our visible supply increased 815,000 bushels, and is practically 80,000,000 bushels larger than last year, which was considered large then. The total disappearance since the peak is not far in excess of 10,000,000 bushels- also unheard of in times past. Surprising to say, the primary movement continues at an extremely large rate, clearly indicating that the farmers did not dispose of all their wheat to obtain the high stabilized prices. Today's receipts were 1,527,000 bushels as against 960,000 bushels last year.

Reports from the Southwest were almost universally good, and a great many week-enders who had made crop expeditions considered threshing returns in Texas and New Mexico as better than had been expected. These two states, plus Oklahoma might have a chance of raising 125,000,000 bushels of wheat. Mensendieck, who is well posted on Kansas conditions, returning after an extensive trip thru Central, South Central and parts of Southwest Kansas, tells us that never during his annual trips has he seen such uniformly good condition. On the whole we would believe that hedging pressure soon will give us a condition such as we have never witnessed before.

We also look for widening of carrying charges, and think that today's tendency in the other direction was merely an accident, with traders liquidating in the far-off months.

Corn was also weak- December reaching a new low. Rains over so many portions caused bearish sentiment, altho we advise caution as the crop is not made and the surplus from the present crop cannot be large.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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RK COTTON EXCHANGE
K PRODUCE EXCHANGE
RK COCOA EXCHANGE
COFFEE AND SUGAR EX
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UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 8th, 1931

verpool wheat cables were very weak today, and we imagine that
verpool had been advised that the drought had been broken in
nada during the night. The rains up there undoubtedly will
ve some relief. Our friends describe it as "scattered showers
fair rains widely scattered over the three Provinces", but
ners only lay stress on the precipitation in Northern Alberta,
ere there were heavy rains. However, readers of the weather
o look for more precipitation overnight in all three Provinces,
d also in the Dakotas, and if they materialize in fair volume,
e trade will be relieved at least to the extent that they will
t look for an immediate calamity, altho it would take one or
o inches of precipitation to bring moisture up to anywhere near
rmal.

e wheat market was not as weak as one might have thought possible,
nsidering everything; also the fact that there were many more
all bank failures, must have a depressing effect on sentiment.
rhaps the fact that the Government Report will come out after
e close had a restraining influence on operators.

oomhall gives the exports from the United States last week as
er 5,000,000 bushels of wheat, which are by far the largest
earances from the United States in a long time; this is evident-
part of the 35,000,000 bushels of farm board wheat, which they
d intended shipping out before the new crop commenced to move-
large part, no doubt, was shipped from the Pacific Coast.
ocks of wheat at Duluth, Kansas City and Minneapolis increased
far 129,000 bushels. Primary receipts are still good -
5,000 bushels compared with 420,000 bushels last year.

ce in a while a car of new wheat is arriving now at terminal
ints- one car today at Amarillo, Texas, but from the way it
oks, it will take a couple of weeks more before wheat will
ve in commercial quantities.

tho there was no change in the corn situation, this cereal
clined today, particularly the July future. It was reported
at 300,000 bushels of corn were sold today to go to store, and
is naturally had a bearish effect, but did not much influence
e other deferred futures.

e and oats continued to be neglected.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK COTTON EXCHANGE
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YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX
YORK RUBBER EXCHANGE

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141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 10th, 1931.

iverpool wheat market closed about 1/2 to 3/4¢ higher. At that ime they had all the information regarding the United States nd Canadian Government reports, and evidently were not as much larmed as we were shortly after the opening- our wheat market aving advanced as much as 1 1/2¢ per bushel from last night's losing price, when it was at the top. It certainly shows a onderful independence on part of foreigners. Perhaps it may e explained by the fact that there have been world shipments ow for a number of weeks of about 19,000,000 bushels, which ertainly is way above consumption and must gradually mean an ccumulation of stocks. Furthermore, according to Broomhall, stimates on the Italian and French crops are such that these ountries together might easily raise 60,000,000 bushels more han in 1930.

ow, as far as our Government report is concerned, it is the onsensus of opinion, that it by no means represents what the inal results of the crops will be. As far as the winter wheat s concerned, calculations have been based on a different par, hich of course does not reduce the bushels in actuality. Further- ore, it has been our experience that the kind of weather we have t filling time usually adds one bushel more per acre to the ize of the crop when everything is favorable, which is the case his year; therefore, a winter wheat crop of 700,000,000 bushels s not yet an impossibility. The crops in Illinois, Indiana and hio are so good that no crop expert found it even worth while o visit these territories, to our knowledge. We think the oorest outlook in the United States is on the Pacific Coast, but ven there they have had fair rains since yesterday, with prospects f an improvement.

s far as the Canadian report is concerned, it was not any worse han what we were led to believe before; in fact, it was better han the estimate of the Canadian Pool, and 275,000,000 bushels, ith the large carryover, would give us plenty of wheat for all urposes.

anadian official exports during the month of May were 31,765,000 ushels; total this year 223,000,000 bushels compared with 43,000,000 bushels last year. The Canadian crop this year was 98,000,000 bushels. Assuming they use at home 115,000,000 ushels, it would leave for export 283,000,000 bushels. Inasmuch s they exported 223,000,000 bushels, there would be 60,000,000 ushels left for export for June and July. However, inasmuch s there are 8,000,000 bushels less wheat in bond in the United tates, this figure would be reduced to 52,000,000 bushels com- ared (on similar figuring) with 42,000,000 bushels last year. It herefore becomes clearer every day that Canada will go into the ew crop with a bigger carryover than in 1930, particularly when t is considered that chances for export during the month of July ill be poorer than last season.

tatistics continue to be bearish; primary receipts of wheat ere again very big today, being 1,250,000 bushels compared with 85,000 bushels last year. Clearances of United States wheat were uite heavy- being 461,000 bushels, which we think will be largely t the expense of Canada. Stocks at Duluth, Kansas City and

6-10-31

Minneapolis show a net decrease for the week of only 35,000 bushels.

During the session more or less rains were reported from Canada, which weakened our market, and prediction is also for showers in the three Canadian Provinces, as well as in our Dakotas. This actual and potential moisture situation finally created such a weak feeling that the market closed at the bottom- a trifle lower than yesterday.

Liverpool July wheat closed today at 63 3/8¢, or only 5 3/4¢ over ours, with the probability that it will come lower again tomorrow.

We have been ignoring this foreign situation right along and may do so for another week or two, but then we shall come to the point where we must export some wheat, and our markets will have to be readjusted with foreign markets.

We had a message today that about 20 cars of new Texas wheat had been shipped- all grading #1, with a moisture test of 11 1/2 to 13%- this coming fromDallas, Texas, and evidently makes it quite clear that the new crop movement has started in earnest.

Corn, oats and rye were stronger at times in sympathy with wheat, but at the end practically lost all they gained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
YORK COTTON EXCHANGE
YORK PRODUCE EXCHANGE
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141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 11th, 1931.

verpool wheat cables were very weak today- England evidently
ving had advance information of the good rains over the three
ovinces in Canada. Anybody who operates either in this country
in Winnipeg ought to look at the Liverpool closing price of
ly wheat - 61 3/4¢ - which is certainly very significant. Any
eat which has to be sold in Europe will have to accept a price,
cording to that quotation more or less, based on difference in
eights, etc. The fact that there is still some business being
ne now is due to the extraordinarily low Ocean freight rates
isting at the present time, and these in turn are due to the very
or demand for charters. We are advised that room was booked from
w York and Norfolk for Antwerp as low as 5¢ per hundred pounds,
3¢ per bushel. Normal freight rates are easily 9 to 10¢ per
shel; naturally as soon as wheat has to be shipped in larger
antities Ocean freights are bound to advance.

ssian shipments are very light this week, only 48,000 bushels,
areBlack Sea shipments- 288,000 bushels; India, which has not
en heard from in sometime shipped 8,000 bushels, which of course
very insignificant, but estimated Argentine shipments are still
avy - about 4,776,000 bushels; so with probable shipments from
stralia of 2 or 3,000,000 bushels and with North American
earances, the total will be very large for Europe, and this is what
eps them so indifferent to our much higher quotations comparatively.
wever, in two or three weeks the situation is likely to change
ry materially.

the present time, here we are very much under the influence of the
d wheat situation; in Kansas City #1 and #2 hard wheat are
actically selling at the previously established stabilized price,
d in Minneapolis, where June wheat had dropped 10 or 12¢ per bushel
en the FarmBoard stepped out of the market, practically all the
ss has been recovered. There are no hedging sales, but these
e all to come yet. Canada is bound to go into the next crop with
o much wheat. According to Sanford Evans on June 6th, Canadian
eat supplies in all positions, including estimated farmers'
ldings, were 176,000,000 bushels. Assuming for the next three
eks shipments would be about 16,000,000 bushels, would leave on
ly 1st, 160,000,000 bushels of Canadian wheat carried over, less
rhaps 5,000,000 bushels home consumption, or 155,000,000 bus. net.
th a probable carryover in the United States of 325,000,000 bus,
ere would be a total of 480,000,000 bus. available on July 1st.
is is considerably more than a normal year's export if not a
shel of export wheat were raised on this coming crop either in the
ited States or Canada.

ocks at Duluth, Kansas City amd Minneapolis decreased so far this
ek 138,000 bus., and as there is also a great deal of wheat being
ipped out of Chicago, which is going to Canadian ports, and which
ll be taken out of our visible supply, we look for a good de-
ease in the visible supply on Monday. Primary receipts are still
rger than last year - 776,000 bushels compared with 615,000 bus.
1930.

ins, as near as we can size up the situation at the moment, were
e best in Canada for a long time, and we think the situation has
en moderately relieved. Of course, one good rain cannot make up
r a drought of about six weeks, but more showers are predicted.
rthermore, everybody is prepared, and is hopeful that Canada
all not have a bumper crop; a moderate sized crop will give
enty of wheat for export.

e Winnipeg market was quite weak most of the session, but our
rket held reasonably firm for a while, until toward the end it had
give way.

rn, oats and rye all sympathized with wheat; but only in a very
mited way.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK COTTON EXCHANGE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 12th, 1931.

Liverpool wheat cables were rather indifferent today, and were no special influence to the market, altho they closed a trifle higher than the previous day. We are still entirely under the influence of the moisture situation in Canada and also the old crop situation. There is no question but that the old wheat, outside of wheat the Farm Board owns, is comparatively scarce, and as long as that is withheld from the market millers will have to pay pretty stiff prices; this naturally will change as soon as new wheat is offered in more liberal quantities, which will take approximately two weeks in some districts and much longer in others. There are the first signs that the movement is on - a few cars selling in Texas and a few in Oklahoma, and this will grow very rapidly.

It is strange that the action of old wheat, like June wheat, should have such a sentimental effect on July wheat, as if most people would not know that the July future does not expire on the first of July but on the 31st of July, and by that time the situation will be so radically different that comparisons cannot be made. Our experience for instance as far as Illinois and Indiana are concerned, has been that the bulk of the heavy movement is already over by the middle of August- anyhow by the end of August. In other words, the wheat moves chiefly during the month of July. This year there will be a crop in Illinois and Indiana probably equalling 75 to 80,000,000 bushels.

Primary receipts are still very fair- being 611,000 bushels compared with 556,000 bushels a year ago. Stocks at Kansas City, Duluth and Minneapolis decreased 362,000 bushels so far this week. We therefore look for a moderate decrease in the visible supply, but we are convinced that there will be plenty left afterwards. Clearances of American wheat amounted to 371,000 bushels.

The weather map did not show as much rains as the trade had been led to believe had taken place yesterday; this gave us a firmer opening. However, buying power is not very strong and it is not easy to advance prices and then maintain the higher levels. The outlook is for clearing weather in the Canadian Northwest, and this makes the price situation again uncertain- anyhow until there is hedging pressure.

Trade in corn was entirely indifferent- fluctuations being very small. The same can also be said of rye and oats.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK COTTON EXCHANGE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
YORK RUBBER EXCHANGE

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141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 13th, 1931.

Liverpool wheat cables were about 1/2¢ per bushel higher- just about what was expected, and were no influence on the market. The Canadian weather was studied again very closely, and was not altogether satisfactory. There have been a few widely scattered showers, but the total precipitation was unimportant. The Official prediction also was for more dryness, but some of the specialists here, who make a study of the weather map, do not consider it at all impossible that the showery condition, which has existed now for sometime might continue, and we might possibly be surprised when we come down Monday morning and find a heavier rainfall. These doubts naturally make a very uncertain market; everybody stays close to shore, business is rather light and fluctuations at the minimum. We believe this will all change, and very suddenly some day within the next fortnight. Within that period we will be confronted with the movement of actual wheat, for which a market has to be found. The first signs were upon us today; we were offered 7,000 bushels of Texas wheat, June shipment,#1 hard at 60¢ delivered Galveston. This is about 2¢ over our July or September price, and ordinarily would be considered very cheap, even as a speculation, because whenever we can buy wheat at a small premium at Gulf ports, all freight paid, at a trifle over our Chicago future, it is usually a money-maker sooner or later, even if it has to be carried for sometime. However, our calculations must be different now; there is no immediate demand for this wheat at this price, being only about 3¢ per bushel cheaper than Liverpool July wheat, and there is quite a little expense connected with moving wheat from here to ports abroad. Furthermore, if it cannot be sold immediately we will remain in the dark, as we might find competition later with the Farm Board.

A similar dilemma will be upon us several weeks hence when Illinois and Indiana wheat starts to move. The farmer will want to sell his wheat, the country elevator man will want to know at what price he can buy it, and of course there will be no outlet for export that can compete with this Texas wheat, so there will be only Chicago and St. Louis left to ship to, and both these places are filled to the roof at the present time; unless Chicago ships out 5 or 10,000,000 bushels of wheat very quickly to enable the Illinois and Indiana farmer to dispose of his wheat, we think he will be in a terrible predicament. But even after the room is created, the only buyers for this wheat will be the speculators, as the merchants cannot buy the wheat unless they can hedge it- every other outlet at the present level of prices being out of the question.

We, therefore, believe that the sane thing will be done-- wheat will be shipped out from here, the elevator man will buy the wheat in the country and hedge it here, and these hedging sales will give an entirely different complexion to everything.

In the meantime primary receipts are still very big- being for the week 5,229,000 bushels compared with 3,865,000 bushels last year. It is true, shipments are also very heavy, but this only because some of the wheat is being shipped out by the FarmBoard to Canadian Ports where it will have to be lodged for sometime before it can be disposed of. Stocks at Duluth, Minneapolis and Kansas City showed a decrease for the week of 195,000 bushels, indicating that we shall have a fair-sized decrease in the visible supply on Monday.

Trade in corn, oats and rye was almost neglected and fluctuations hardly worth while mentioning.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK COTTON EXCHANGE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
YORK RUBBER EXCHANGE

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141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 15th, 1931.

Liverpool wheat cables were a distinct surprise to the trade this morning, as they showed absolutely no response to the strength in North America last Saturday; their prices were actually lower, and they were influenced by the large world shipments, also the fact that weather both in France and Germany was reported to be improving. Trade in our market had been prepared for rains over the three Canadian Provinces, and when reports failed to give much information in the way of moisture, buyers took encouragement from this news. The indications are that some scattered showers will fall in Alberta, and of course, there has been no adequate relief from the recent drought. On the other hand, after studying the Sanford Evans report we have also come to the conclusion that the situation is not calamitous, as he calls attention to the fact that where moisture has been received, considerable recovery has already taken place, and some of the districts comprising about 11,000,000 acres of drought-stricken area have also been reduced. In fact, parts of Manitoba compare more favorably now with normal; so that all in all there is no reason yet to expect a failure, as so many people had been led to believe.

From our own Southwest, news was less encouraging to holders. Cash wheat offerings are increasing, and we, ourselves, bought five cars of new wheat in Oklahoma for immediate loading; from now on we expect to find a very different picture.

Up to this time the market has been dominated by the old crop situation. The fact that the Government has upward of 200,000,000 bushels in its possession, and not selling anything to the milling trade below the stabilized figure, has made it necessary for some millers to bid up for the somewhat smaller receipts which have been recently coming to terminal markets. It is not reasonable to suppose that unless millers have flour sold at very high prices that they can forever afford to pay 14¢ premium over July for their cash wheat. We think, therefore that while there have been ten buyers to every seller in recent transactions that after two or three weeks the opposite influence will be working in the markets.

The visible supply showed a moderate decrease today- about 1,500,000 bushels, but we still have a total of 192,000,000 bushels, which exceeds last year's large supply by 80,000,000 bushels.

From the reports gathered from the Southwest it seems evident that the fine filling weather will give us a larger winter wheat crop than the Government indicated in its last report. In view of the foregoing, we still believe that July wheat will sell at a carrying charge under September, altho it will take a little patience and more pressure until hedges become more numerous.

Corn trade most of the session was quiet- July showed the greatest strength. The trade seems to feel that there is a concentrated holding.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK COTTON EXCHANGE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
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YORK RUBBER EXCHANGE

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 16th, 1931.

iverpool was weak this morning, and as their market progressed heir quotations became worse. Shortly after the opening there as an announcement by Chairman Stone, of the Farm Board, to the ffect that they had not guaranteed to keep their stabilized oldings intact. He went on to say that the Government Agencies ould continue to offer this wheat abroad as long as prices were ot disturbed. Commenting on sales in the domestic market, he ays, the careful policy of handling would still be effective, but pparently they will dispose of as much in foreign countries as hey can after July 1st. We considered right along that this would e their only outlet. It is a step in the right direction to make n effort to reduce carryovers, which in the past two or three ears have been such depressing influences in our market. It must e assumed now that the wheat which some people had considered to e tied up will go back into circulation. Whatever wheat the Farm oard is able to sell abroad will mean that much less of the new rop which the regular exporters have generally handled in the ast. While the Government relieves the congestion and clears some f the ports for the wheat which is tributary to Gulf and Atlantic orts, there will be nevertheless a considerable quantity of wheat hich will be offered to mills and terminal markets, and the first tep in that direction has already been noted, altho the movement s hardly under way. A great many of the Southwest markets are eporting additional arrivals of new wheat and within two weeks we xpect that our market will be almost dominated by the new crop nstead of old crop situation.

ot only the Southwest, but Illinois, Indiana and Ohio territories re reporting wonderful prospects, and one farmer who was in our ffice today claimed that on his tract in Southern Illinois, rospects are for a yield running as high as 30 to 40 bushels per cre. Under the circumstances, it is less important at the moment hat will happen to the weather in Canada. Our Senior, who is now n Winnipeg, wires that the crop still depends on the weather rom now on. Indications are that there will be some fairly good howers over the Provinces, as well as in the Dakotas overnight, nd if these materialize it is only natural to assume that there ill be an additional improvement, just as there has been from cattered rains during the past two weeks.

tatistics have not changed much lately; stocks have diminished omewhat, with Duluth, Kansas City and Minneapolis showing a derease so far of 570,000 bushels. However, there is no possible hance of the visible supply going down to as low as last year's igures, when it reached 107,000,000 bushels, and we are only fraid that two or three weeks after the movement space will all e filled up again.

radstreet's division of North American exports on wheat and flour, hows that the United States shipped only 1,424,000 bushels, altho anada slightly in excess of 5,000,000 bushels. We have our oubts as to whether Canada, even at the present rate, can go down o last year's carryover, and they seem to be pursuing the opposite ourse of Mr. Stone; namely, to add, for the fifth of sixth year uccessively, to the burden, while in this country, at least, efforts re being made to reduce supplies from previous years.

e think that during July the Farm Board's offerings might hinder onsiderably Canadian business abroad, and therefore cannot feel as riendly to the Winnipeg spread as usual.

orn showed resistance and the July delivery acted tight again. e do not want to make any prediction, as this delivery seems to be oncentrated, and at best it is only a guess as to how settlements re to be made.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
 YORK COTTON EXCHANGE
 YORK PRODUCE EXCHANGE
 YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX
 YORK RUBBER EXCHANGE

UHLMANN GRAIN COMPANY
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 17th, 1931.

Liverpool wheat cables were weak at the start, with their July wheat just a trifle over 60¢, which is not very encouraging from the viewpoint of our being on an export basis. Other news, however, which came in overnight was somewhat mixed; there had been scattered showers in parts of Alberta and Saskatchewan, and the forecast was for continuation of same, with thunder storms not only in the Provinces of Canada but in our Northwest as well. This served to temper some of the reports which were very bullish on conditions on both sides of the international line. There was a Canadian Pool report which gave the condition about 70% of normal at this time, and on this basis, a crop of about 250,000,000 bushels could be expected; this, together with the very large carryover would give almost as much wheat in both positions as Canada would get in a normal year. Therefore, we cannot become unduly excited at this writing. Sanford Evans calls attention to the fact that general showers and rains spread over the period June 8th to 11th and scattered showers since then have caused a marked improvement in conditions over wide stretches of Western Canada. Nevertheless, all dry areas were not relieved and further good rains are needed immediately in these parts.

In our opinion, for a temporary turn, at least, all other factors will be obscured by the winter wheat movement in this country when the movement once gets under way. What will happen after the first hedges are absorbed is a question that can be decided later, but with a very disappointing export demand at the present time reports from the Northwest, such as we are getting now, seem to have very little effect upon our market.

There have been good rains also in our own Pacific Northwest, where conditions have been quite bad, and these we believe will bring about a marked improvement.

Statistics continue with about the same tenor; today's clearances were 80,000 bushels of wheat, and the primary movement keeps very large, being considerably greater than a year ago at this time. There will be another fairly good-sized decrease in the visible supply on Monday, with Kansas City, Duluth and Minneapolis thus far showing a shrinkage of 959,000 bushels. However, new wheat offerings are becoming more numerous, so that this cannot be a worry, and within a short space of time increases will again be the order of the day. Meanwhile we look for widening of carrying charges, and believe that finally July wheat will sell 3¢ under September.

Increased offerings from the country made a rather bearish sentiment in corn, and there was more pressure on the July than of late. Weather and crop reports from the belt are favorable, but the yellow cereal is not enjoying a very large trade at this time.

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FORT WORTH GRAIN AND COTTON EX.

June 18th, 1931.

Liverpool wheat cables were about as due, altho their prices weakened before the close. It is note-worthy of mention that in a consuming country, like England, that there should be a carrying charge of 5¢ from July to December, which is even greater than the one prevailing in the Chicago market with the very heavy supplies in elevators and about to be marketed. Europe continues to show independence in their method of making purchases, and of course, with the recent statement made by the Farm Board that they will make efforts to dispose of their holdings as the market will take them, we think that the demand from abroad will continue of an indifferent character.

Canada reports highly beneficial rains over a very wide area-principal benefits coming to the Province of Alberta, but also to quite a few points in Saskatchewan, which had not been relieved much before now. There is also a forecast for more rains, and those who read the map are of the opinion that after tomorrow temperatures over Canada will be considerably cooler, so that possibly we have seen the worse in the way of adverse weather.

The movement of winter wheat is increasing quite rapidly, and from reports we gather that Southwest dealers are paying about 7¢ per bushel less than they did last Monday when the first few cars started to arrive. We still believe that the present high premium over the July contract will gradually disappear, and should the movement next month be as large as in 1930 the primary receipts alone will be over 80,000,000 bushels. As reports come in now many people are of the opinion that the Government has under-estimated the crop, and yields are turning out so well, even in Kansas points, that we think at least 50,000,000 bushels will have to be added to the Government's last figures.

It also looks as though this market would have to absorb 150,000,000 bushels open interest which with the light speculative trade will be quite a damper on the market.

The primary movement is still quite good- being as large as last year and about the same as last week. Stocks at Kansas City, Duluth and Minneapolis have decreased 1,549,000 bushels, and we expect that this week or possibly next will be the last to witness large visible decreases. Shifting of stocks at the present time is partially responsible, and we think that the Farm Board is commencing to make room in the Southwest for the movement which is under way.

Minneapolis September wheat is ruling about 4¢ over Chicago, but it looks as tho this will also be corrected as they approach their harvest, and this spread seems to have good possibilities.

July corn was under process of liquidation today, and the premium over September narrowed sharply. There has been quite a little corn worked to come to Chicago recently, and unless the concentrated interest continues to hold its line we doubt if the premium for July can be maintained. Weather and crop reports were again favorable.

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FORT WORTH GRAIN AND COTTON EX.

June 19th, 1931.

Liverpool wheat cables were very weak and discouraging today; the July future closed at 59¢, which is the lowest level on this crop and probably the lowest ever since they had a gold standard in England. In other words, as long as proper comparisons can be made. If one could imagine that either the English grain merchant is not posted, or that the price is artificially depressed, one could ignore it, but Europe is not only well posted on her own grain conditions, but also all over the world, including Russia and Canada. They evidently know that for a long time supplies will be burdensome and much in excess of the demand, and this, regardless of whether the Canadian crop should turn out a little better or a little worse. Putting it in another way; they do not pay too much attention to what, at the present time is problematic; namely, the Canadian crop and later on Australia's and Argentine's outturn, but they concentrate on what they know to be sure--- the large supplies already in existence. Considering that the normal supplies of Europe are about 12,000,000 bushels a week, and of non-European countries, 3,000,000 bushels a week, a total of 15,000,000 bushels, or 770,000,000 to 780,000,000 bushels a year, they know that North America alone carried over 480,000,000 bushels, Argentine and Australia probably have about 100,000,000 bushels to spare, yet the amount on passage is very large, and with a surplus estimated in the United States on this year's crop of 200,000,000 to 250,000,000 bushels, calculations need not be made very closely to come to the conclusion that buyers have all the advantages and sellers the disadvantages. It furthermore must be assumed that the time of accumulation on part of the Pool in Canada and the Farm Board in the United States has reached its end. In the same degree as they will reduce their holdings, the speculator must take care of the surplus stock, unless it would be actually reduced; all of which creates a weak market.

Just returning from Canada, these thoughts really were created there, as never before in my experience have I found that everybody in Canada is more concerned about the disposition of the old wheat than the results of the new crop.

As far as the Canadian crop is concerned, guesses are made more or less according to the temperament of the people and the age of the guesser. Those who are pretty well advanced in years, have already seen such wonderful improvements after this time that they are reasonably hopeful. Others, of course, expect things to go from bad to worse. It is too early to give any figures, but a crop of 250 to 300,000,000 bushels for Canada, in our opinion, is still a great possibility.

Under the conditions described above, of course, it is very difficult to do much of an export business, as other countries are still shipping quite heavily, and Argentine and Australia, with the Black Sea, have put again almost 9,500,000 bushels afloat.

Stocks at terminal points are decreasing moderately, and this will continue probably for another week, by which time the new crop wheat movement will possibly exceed the demand, and we shall see increases in the visible supply probably as long as storage room is obtainable until it reaches its maximum.

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FORT WORTH GRAIN AND COTTON EX.

6-19-31

Very little new wheat has been sold for export so far, and the crop movement is expanding. Kansas City received 25 cars of new wheat today, and we would not be surprised if by next Monday they would have 100 cars of new wheat; also several other points are daily receiving a little more each day. Of course, after all is said, the price to the farmer is extremely low and nobody has the nerve, and justly so, to play the bear side very aggressively- therefore, many reactions are taking place.

July corn kept comparatively strong, but there is a large concentrated interest in that future. Receipts are very light and cash corn is being sold at reasonable premiums.

Oats and rye continue to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

June 20th, 1931.

Liverpool wheat cables were very indifferent today. There were not many rains reported fromCanada, but the market was less influenced by wheat news than by the constructive news which came from Washington. While no plans have yet been divulged, it seems that Washington is very anxious to bring some relief to the distressed Nations in Europe, and if they should so succeed, there is no question that it will create a better sentiment, and finally a better demand for our surplus goods. In fact, it affected the stock market already very favorably, cotton also advanced, and wheat naturally sumpathised with it.

However, as far as wheat is concerned, a situation of its own has been created, and a general improvement in business, while helpful, will not alone cure this situation. The sins which have been committed by all countries in the shape of over-production are too great to be cured all at once; in fact, we can see only one cure- namely, a reduction in acreage, and until that takes place we are afraid wheat will have to sell at very low prices.

To show how much we have permitted stocks to accumulate thru artificial means, the following will give a picture:

We figure that our wheat carryover this year on July 1st will be about 325,000,000 bushels, and that we shall have, with increased yields in the winter wheat belt, probably 250,000,000 bushels for export on this year's crop, making a total available of 575,000,000 bushels. Our net exports in 1928 from the United
States were - - - - - - - 186,000,000 bu.
in 1929 - - - - - - - 142,000,000 "
in 1930 - - - - - - - 140,000,000 "
And this year they will be about - 110,000,000 ", making
a total in these four years of - 578,000,000 " of wheat.

We, therefore, not figuring on any carryovers, will have practically four years' average supplies for export on our hands on the first of July.

This four year period also includes years when crops in Argentina, Australia and Canada were poor at times.

For fear one might forget about the excellent advice we have been giving right along, we wish to call attention to the July future which today declined to 7/8 to 1¢ under our September. We claimed right along that as soon as new wheat would start to move there is bound to be a carrying charge, and while we think the carrying charge will widen much more, so far, at least, we have been absolutely correct. At the close today our futures are only about 2 to 3¢ lower than Liverpool's futures, which is an intolerable situation; while naturally Liverpool will advance considerably after they hear of our strength, we are still far from an export basis, with the new crop movement absolutely in sight. Today Kansas City received 75 cars of new wheat, Ft.Worth 95 cars, Enid 52 cars and Wichita 21 cars; probably on Monday the amount might be double, and then soon the mills will be filled up and new hedges will come on the market.

Corn, oats and rye all sympathised with the advance in wheat.

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DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 22nd, 1931.

Liverpool wheat cables were very strong today- their advance being even greater than ours on Saturday. There was further encouragement for the bull inasmuch as stocks and cotton showed a very buoyant mood. The advance in cotton at one time we think was as much as $3.00 per bale. On the other hand there was wonderful harvesting weather in the Southwest, very beneficial rains in our Northwest and more precipitation in Canada, which somewhat dampened the bullish feeling at times. In fact, at the close the advance in Winnipeg and Minneapolis was not anywhere near as great as ours.

Inasmuch as we paid so much attention to the Liverpool strength, and advanced here accordingly, we are just as far away from an export basis as ever, and at the close our July price was only 2 3/4¢ lower than Liverpool. We repeat again that such a situation must correct itself before very long.

During the session the wheat market was more or less influenced by various rumors regarding the attitude of Washington on the Farm Board's holdings. There have been rumors that the President would make a statement, possibly intimating that the wheat holdings will not be put on the market; another one that Chairman Stone was recalled from his vacation. We discredit all these rumors, and take the view that the Farm Board has recognized, and some members of the Farm Board even admitted, that mistakes were made, and we believe efforts are being made to correct them. There is a French proverb, which translated, says: "It is only the first mistake which is wrong, everything else is a consequence." There is no question but that it was the wrong policy to accumulate as much wheat as the FarmBoard did. However, we have not heard of any accurate figures lately; it is continually called over 200,000,000 bushels; for all we know it might be 225,000,000 bus. or 250,000,000 bushels. Now, no good purpose can be served, if the accumulation was a mistake, to keep on paying storage, insurance and interest charges forever and withholding the wheat from the market. The proper thing to do is to dispose of the wheat, as foreign markets will take it without too much influence on domestic markets, and this is the program which we understand has been declared as the best, and which we believe will be carried out.

We think this is a good movement, as the first loss will probably be the least, and if this wheat is disposed of we shall have normal markets again. It is very sad if the farmer has to take a very low price for his wheat, but this is not the important thing; the important thing is to get the market in such shape so that some day when acreages are reduced, as well as stocks, and we shall have a poor crop, the farmer will benefit by it and again obtain $1.00 or $1.25 per bushel for his wheat.

Statistics continue to be more or less bearish; the visible supply of wheat decreased 3,141,000 bushels, compared with 2,694,000 bushels last year, and the total is still about 80,000,000 bushels more than it was then. We think there will be another week of decrease, and after that it will show increases. New receipts at the various terminal markets today are 543 cars which is certainly very big for the time of the year.

We expect a very heavy movement right along now, and hedging sales will come into the market in very large quantities before very long, and we do not believe the market is in a position to absorb them.

Corn, oats and rye all sympathised with wheat.

UHLMANN GRAIN CO.

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 23rd, 1931.

bles were decidedly weak, and it seems that foreigners had already
ceived the Washington report from the Assistant Chairman of the
rm Board, claiming that for the present there is no change con-
mplated in the marketing of the carryover wheat. This necessarily
s a very depressing factor, as the fear that the farm board would
thhold its wheat from the market was practically the only motive
ich prompted shorts to cover and longs to take on new lines yes-
rday.

e weather here was also extremely favorable; nice and clear in
e Southwest, where harvesting operations are taking place, good
ins in the Northwest where needed, and fair precipitation in Canada,
th more in sight. Under these circumstances, lower markets were
be foreseen, and practically all of yesterday's advance was lost.

e last six months our wheat market was not a natural one. During
l this period our prices have been way above an export basis, as
e Farm Board was willing to make purchases regardless of the
reign situation. They were practically the only buyers and con-
quently there were no hedges in the market. During this time, the
ts of the bulls were matched against those of the bears; neither
n claim much success nor superior wisdom, as July wheat on
cember 1st, 1930, closed at 62 1/2¢, and it is only 5¢ lower now,
there is hardly any change. In the meantime, our prices were just
often influenced by Washington reports and by farm board actions,
by the actual wheat situation. This, in our opinion, will all
ange very shortly- perhaps as early as Monday a week, about July
h-- at which time we expect in addition to Texas, Oklahoma and
nsas that Missouri, Illinois and Indiana will commence to bring
eir wheat to market. These last two states promise bumper crops;
ere can be only two outlets for same- one is for export, and the
her is to the speculator, who will have to take the hedges if the
eat cannot be moved otherwise. We believe there will be an ever-
creasing accumulation during the month of July, and the test of
at wheat is really worth will come then. In our opinion, the
ice will be whatever foreign countries will pay for our surplus,
d this is the reason why we are watching the foreign markets,
rticularly Liverpool, so closely.

imary receipts of wheat are just seasonable- 619,000 bushels
mpared with 672,000 bushels last year. Wheat stocks at seaboard
d Gulf ports are still 11,563,000 bushels. We are disappointed
at they have not decreased faster. During last week they decreased
out 617,000 bushels, and since the time the farm board first an-
unced that it would sell 35,000,000 bushels of wheat to make
orage room there and at the Pacific Coast the reduction has been
ly 6,000,000 bushels at the Gulf and Atlantic ports.

fore our opening today Liverpool wheat was hardly 2¢ higher than we
their July future, and even without our decline the difference is
te inconsequential.

matter what happens we feel sure of one thing- that with our large
portable surplus there will be a period sometime during the year
31 when Liverpool will have to sell at a sufficiently high premium
er Chicago futures to justify shipments. Whether this will come
Liverpool advancing or our market declining will depend upon a
eat many events which are not foreseeable at the present time, like
final outcome of the crops in the Southern Hemisphere.

oomhall gives division of last week's exports of wheat and flour
follows: from the United States 2,608,000 bushels and from
nada 5,190,000 bushels. At this rate, Canada will also be left
th a great burden of old wheat when the new wheat crop starts to
ve.

n, oats and rye all sympathised with wheat on the decline.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 24, 1931

Liverpool cables opened weaker than they were due, but closed quite strong; they were influenced by the favorable response on part of France to President Hoover's proposition regarding reparation and war debts. Inasmuch as the consummation of this move will be very constructive all around, the reasoning was correct that sentiment should change in favor of higher commodity prices, including wheat, and our market was also higher in accordance with this view. However, the strength was not very pronounced as wheat is in a peculiar position owing to the large Farm Board holdings, the enormous carryovers everywhere and the large crop of winter wheat which is now being harvested. All these items were so bearish that we believe wheat, in spite of the higher cables, might have been lower had it not been for various rumors which were again circulated and which frightened the shorts. One of the reports was that a very influential Republican is on his was to Washington to try again to influence the President to come out with a statement promising to withhold the wheat from exportation, or other disposition, for one year. Another report was that the production and sale of beer will soon be permitted, which would increase corn and barley consumption and make it possible for a large wheat acreage to be devoted to these other cereals.

We take no stock in all these rumors, and doubt even if withholding wheat from sale would be finally beneficial; it would simply delay the problem and we would have to meet it next year. The sooner our stocks are reduced the sooner the farmer will be able to get better prices whenever we again have a short crop.

Statistics continue to be bearish: Primary receipts of wheat are 18,000 bushels compared with 763,000 bushels last year. Kansas-City, Duluth and Minneapolis stocks decreased so far 1,305,000 bushels; but lots of wheat is being shipped to Canadian ports and therefore does not show up in our Visible Supply. The amount of American wheat in elevators there now is 13,000,000 bushels compared with a little over 4,000,000 bushels last year.

The weather continues almost perfect for American wheat: Weather in the Southwest is dry for harvesting; they had good rains in the Northwest where wanted, and South Dakota and North Dakota are pretty fairly supplied now except in parts. They also had more precipitation in Canada.

There were more hedges in this market today, and this will continue to increase daily. We believe they will be quite considerable next Monday, and they might become burdensome Monday week. Even today receipts of new wheat at various terminal markets amounted to 47 cars.

We believe that the government report next month will show a very large increase over its previous estimate for both spring and winter wheat territory. We would not be surprised if the total amounted o over 900,000,000 bushels, leaving 250,000,000 bushels for export on this year's crop.

With Liverpool July wheat about 4¢ over ours, when last year it was bout 11¢ over ours, chances for export are much poorer than they ere then, although ocean freights are cheaper.

he corn market was influenced today by the very hot weather in the outhwest and by hopes that the production of beer will be permitted efore long. However, the nearby future, July, did not profit uch but the other futures advanced.

ats and rye were strong in sympathy with wheat.

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KANSAS-CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 25th, 1931.

Liverpool cables were unresponsive this morning before our opening, and declined still further afterwards. Broomhall cables weather abroad is favorable now, with average crops in sight. This we presume means more wheat than last year in Europe; at least, Italy, France and Germany all promise increased yields. In addition, there was news circulated that Russia has made large charters for August, and evidently England was posted right along about the danger of Russia becoming a heavy seller, which made their market continuously weak.

We have been pointing out right along that there is no hope, in our opinion, for our futures to improve until we go to an export basis. In fact, we are very much disturbed by what might happen if the situation does not change soon and wheat continues to flow to terminal markets without finding sufficient outlets. We can remember many years when at this time of the season perhaps 20,000,000 or 30,000,000 bushels of new wheat had already been sold abroad, and we doubt whether this year as much as 500,000 bushels have been disposed of. The cheapest markets in the United States, of course, are the Gulf ports, as the Texas wheat must find an outlet there; it will be impossible to ship a bushel of wheat for export from Kansas until the Texas wheat has been largely disposed of.

The Farm Board seems to sell large quantities of spring wheat at Minneapolis for June delivery, millers are buying it, and hedging against same in Chicago and other markets. This makes the Minneapolis June and July deliveries very weak.

Receipts of new wheat at the various terminal points 657 cars. Stocks of wheat at Kansas City, Duluth and Minneapolis so far decreased 1,047,000 bushels- the decrease being practically all at Minneapolis. Clearances of American wheat only 80,000 bushels all from Baltimore. Primary receipts of wheat 774,000 bushels compared with 760,000 bushels last year.

The stock and cotton markets were very strong at times today, creating a sympathetic effect on wheat, but toward the close there were rumors that the French Cabinet had resigned, and there were recessions.

Corn also was reasonably firm early in the session, but advances did not hold.

Oats did very little, and rye closed somewhat weak.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

June 26th, 1931.

Liverpool wheat cables were weak again, and they show entire independence. Our market was influenced at the opening by this weakness, but soon gained great strength, partly in sympathy with corn, but chiefly on account of a meeting between Chairman Stone and the President. There is so much pressure being brought on Washington to withhold from the market the wheat accumulated during the last two years, that another conference took place. All eyes are turned on Washington, but our eyes are turned on Liverpool. When we look at their futures- July closing at 60 3/4¢, October wheat at 64¢ and December wheat at 66 1/2¢- only a few cents higher than our futures, we come to the conclusion that sooner or later even Washington will have to pay attention to the biggest of the foreign markets, and to the largest importing nation.

With us it is not so much a question of whether the farm board will withhold the wheat from the market or not, but we question whether they can dispose of it even if they want to. Everybody will remember that they came out with a statement about three months or so ago that they wanted to sell 35,000,000 bushels of wheat abroad; as far as we know there probably has been less than 25,000,000 bushels of this wheat shipped for export, in spite of the greatest sacrifice in prices and way below the stabilized price.

Every elevator man and every exporter is buying wheat now and accumulating it, with the purpose of selling it. We believe the syndicate which purchased 13,000,000 bushels from the farm board has lots of wheat unsold yet; and all this wheat will come into competition with the farm board's wheat if they ever try to dispose of it.

Wheat was offered today FOB Galveston, #1 hard at 1/4¢ under the September price. Just think all freight, fobbing charges and everything paid at the end of the line at a Gulf port, at a price lower than our Chicago September price. This certainly does not look very encouraging for exportation, and while we still wonder whether the farm board is willing to sell, or not, there will be plenty of others who will sell if they can.

Our clearances this week are a little over 7,000,000 bushels, compared with 6,757,000 bushels last year. The total for this year 352,000,000 bushels against 301,000,000 bushels in 1930. According to our opinion, United States will have an exportable surplus on this year's crop of 250,000,000 bushels, and Canada, even with a short crop, 150,000,000 bushels, making 400,000,000 bushels-- or more than was exported in either of the two years. So even if the farm board does withhold its wheat from the market there will be plenty for export, not taking into consideration that Russia might ship more, and that Italy, France and Germany might need less, as their crops are better this season.

DAILY MARKET LETTER

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New wheat receipts at various terminal markets today were 939 cars. It will not be very long before there will be thousands a day, particularly on Monday. Stocks of wheat at Kansas City, Duluth, and Minneaplis decreased for the week 1,303,000 bushels. This week we think will be the last decrease in the visible supply.

The fact that Chairman Stone, after his meeting with the President, would make no statement but said that a statement would have to come from the President, was construed as more bearish, and probably no change in the previously declared policy will be undertaken. This brought about a decline from the highest level toward the end of the session.

Corn was extremely firm on very hot weather in parts of Iowa and in the Southwest. However, we believe that where the extreme heat will do some damage, it will benefit other places enormously, as we have had very good moisture this season compared with other years.

Oats and rye sympathized with the other cereals and were higher.

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FORT WORTH GRAIN AND COTTON EX.

June 27th, 1931.

Liverpool wheat cables were somewhat higher than due, but they have been so extremely weak right along, and buying orders are sent from here daily, it being the cheapest market, that not too much attention should be paid unless they show a serious tendency to advance. The situation here before the opening was rather mixed. The Free Press at Winnipeg came out with a very bullish report on the Canadian crop, but this, of course, was all known before. The news from Washington was bearish, because we think we have now heard the last words about the marketing of the Farm Board wheat, and believe it is for sale whenever those in authority think they can make desirable sales.

The weather in the corn belt was not satisfactory for the nerves of the bears, as temperatures are very high, and in view of what happened last year, traders are very nervous. Wheat opened somewhat lower, but when the stock market, particularly United States Steel, showed such a strong tone, and when cotton firmed up, wheat sympathised with it.

The wheat news itself continues to be bearish. New wheat at various terminal points, without Kansas City, which is not yet posted, 1407 cars; with Kansas City included there might be a movement of 2,000,000 bushels. Our Kansas City Office today had a message from Copeland, Kansas, saying they took in over 90,000 bushels of wheat at one station yesterday. Primary receipts of wheat today 1,193,000 bushels, compared with 1,039,000 bushels last year; for the week 5,600,000 bushels compared with 5,100,000 bushels last year.

News about threshing returns are uniformly favorable, and we look for a very big movement next week, and a still bigger one the week following. Unless something unforeseen should happen, we think hedging sales will become a very depressing factor.

As far as corn is concerned, of course, weather will play an important part, but the long-time weather prediction, while forecasting high temperatures, also mentions that there might be interruptions of showers and thunder storms and somewhat cooler, which would be ideal weather.

Oats and rye will continue to be dependent upon the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

June 29, 1931

Liverpool cables were very weak today and their market was undoubtedly influenced again by heavy offerings of Russian wheat. When it is considered that with one exception, and then only for very small quantities, Russia had been out of the market as an exporter until last year since 1914, it can easily be seen how important these Russian shipments will be from now on until other exporting countries have readjusted their acreages.

Here, before our opening, we were under various other influences: The hot weather in the corn belt made it very plain that this cereal would open higher and influence wheat; also the statement which appeared in the newspapers on Sunday that possibly the Farm Board will change its policy and not dispose of any of its wheat holdings during this crop year was bound to have a sentimental effect. In fact, speculation probably would have driven prices considerably higher had it not been for the heavy hedging sales which have to be reckoned with right along now, and the further fact that the winter wheat crop is turning out beyond any expectations. Every seven or ten years this country has an extremely poor crop, and every seven or ten years a freakishly good crop and this seems to be the year when conditions were so favorable for developing the wheat plant that the yields will be simply enormous. Our experience has been that in such years the government never gives the maximum results right away, but instead increases its previous estimates every time a new report comes out, and the last report will give the biggest yield.

We have a statement about the Kansas crop that they might not only raise 200,000,000 bushels but possibly 20,000,000 bushels above that; and this comes from very conservative source.

The primary receipts today were considerably larger than last year, 3,349,000 bushels vs. 2,086,000 last year. Receipts at various terminal markets are enormous, and cash premiums are declining daily.

We believe if the Farm Board does not choose to sell its wheat that all elevators will be filled up to the roof in a very short time. A statement is expected from the Farm Board not later than Wednesday as to just what their intentions will be. In the meantime it will not make any difference what they do as there will be plenty of wheat for sale for some time even if they hold theirs.

The weakness in the situation remains as right along: Indifference of foreign markets, and not much export business can be expected as long as Liverpool, which does not get excited this year, keeps their futures only a little above ours.

The wheat movement has started in earnest, and therefore we think from now on a new condition will arise and we shall trade in actual wheat and not in rumors. Whenever the world's markets improve ours no doubt will sympathize with them, but if not we cannot be independent.

The corn market was very strong as a period of hot weather always excites the nerves of the shorts, although no one claims at the present time that any real damage has been done. We had a great deal of moisture before and possibly this weather is just what is needed. The latest aeroplane explorers from the North Pole state they cannot raise any corn there, it being too cold, and we really believe hot weather in the long run is what gives us the big crops, as usually there are enough rains, and what happened last year does not occur more often than once in thirty years when we practically went through a whole summer without much precipitation.

Oats and rye followed the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

June 30th,1931.

Liverpool wheat cables were extremely weak today,and the news overnight was also very bearish. Canada had reported rains in a great many of the drought-stricken areas- some places receiving as much as two inches of moisture. This factor was responsible for Winnipeg being relatively weaker than our market. Temperatures were also cooler in Canada, as well as our Northwest, and to this extent Spring wheat prospects should improve now, altho the Searle Report just given out is quite bullish on Canadian conditions.

Inasmuch as the trade watches statements on part of the Farm Board as much as they do wheat conditions, the report that Chairman Stone is still very much of the opinion that it would be a mistake to withhold the accumulated wheat in the hands of the farm board from the market, leads us to believe that whenever a final conclusion is reached regarding the future policy of the farm board, it will be either a reiteration of the former policy or else a compromise; and that in any case not all the farm board wheat will be carried into another crop.

We ourselves believe that anything else would be suicidal, as it is of less importance that the farmer realize a little more or less for his wheat than that he be put in a position next year to obtain better prices and not suffer from surpluses which have been carried over from one season to another, which are bound to be a depressing influence.

To show what enormous accumulations have taken place in this country, we refer to commercial stocks of wheat at the beginning of the season, which this year are 203,000,000 bushels compared with only 109,000,000 bushels last year, or almost double. This of course leaves out wheat in many minor points, also wheat in mills and country elevators and in farmers' hands, and we still figure that the total amount of wheat in this country is 325,000,000 bushels.

Primary receipts again were very large, 1,873,000 bushels against 1,395,000 bushels last year. The heavy movement continues at such points as Amarillo, with 298 cars, Fort Worth 339, Wichita 326 and Hutchison 587 cars. Much of this wheat of course finally will show up at terminal points such as Kansas City.

We hear very little of export demand, and as sales of new wheat so far have been at a minimum and very little contracted for, compared with other years, the prospect is certainly disheartening. As a rule the bulk of the export business from North America is done the first five months of the year. For instance, last year we exported during July from the United States and Canada, wheat and flour, 37,546,000 bushels, which would be 1,500,000 bushels for every business day.

Clearances today were quite light- only 139,000. bushels from American ports. Stocks at Kansas City, Duluth and Minneapolis so far decreased 823,000 bushels, but before the week is out we expect that the visible supply will show a large increase.

Deliveries on July contract tomorrow are expected to be rather light, altho we believe that on July 6th, which is a Monday, there will be very large receipts in this market, and tenders on contract should become heavy from that date forward.

We can see nothing to change our previously expressed opinion, and believe that the winter wheat movement will overshadow everything else. Carrying charges have widened almost to a full difference, but we still think that July and September will widen to at least 3¢.

Corn was inclined to be weak during most of the session; some relief in weather is looked for within the next forty-eight hours- either showers, lower temperatures, or both.

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FORT WORTH GRAIN AND COTTON EX.

July 1, 1931

The farm board has finally given the public the results of its many consultations and has outlined its policy of disposing of its wheat holdings during the next twelve months.

It behooves every grain man on whose advice his customers depend, to analyze the statement very closely and in his turn to arrive at a decision as to what it means to the price of wheat at the present time and for the future.

In order to do so, it will become necessary first to guess at the size of the holdings of the farm board. No figures have been given out lately, and generally this holding is spoken of as above 200,000,000 bushels. In our opinion it is very much larger. We assume that the farm board owns practically the whole visible supply,

given as	187,000,000	bushels
American wheat in Canadian ports	14,000,000	"
West of the Rockies	20,000,000	"
In various positions not shown in the visible supply, about	40,000,000	"
Total - - - - - - - - - - - - - - -	261,000,000	"

If the farm board should dispose of only 60,000,000 bushels this year, its holdings next July would still be very large; and in fact, if the average sales should be only 5,000,000 bushels a month it would take more than four years to dispose of all the wheat accumulated in about eighteen months.

Now regarding the feasibility of selling on an average 5,000,000 bushels a month, we think it will not be an easy problem. Last year the total net exports of United States wheat and flour were only about 110,000,000 bushels. If the flour is deducted, possibly only 80,000,000 bushels have been exported of wheat alone. The farm board does not make it clear whether or not that part of the 35,000,000 bushels of wheat which is still unsold and which they officially announced their intention to sell about three months or so ago, is included in the 60,000,000 bushels to be disposed of this season.

Just at the present time wheat is selling at very low prices abroad, last sales this morning having been made at 2¢ under September fob Gulf; and of course any sales at this price would net very poor returns to the farm board on basis of what they had paid for the wheat.

Now as regards the final effect on prices We assume that this year's wheat crop will give us an exportable surplus of about 250,000,000 bushels. Add to this whatthe farm board would dispose of, 60,000,000, would make a total of 310,000,000, and otherwise leave everything in the same position as now. Last year we exported only 110,000,000 bushels. On account of the shorter Canadian crop we may export 210,000,000 bushels, or 100,000,000 more this year. Consequently the public would have to carry 100,000,000 bushels more than this season. At certain low prices they can easily do this and more; but of course only if the price is low will this be done, and assuming that acreages will be reduced.

July 1st, 1931.

Statistids continue to be very bearish; primary receipts 2,418,000 bushels compared with 1,049,000 bushels last year. Wheat clearances from North American ports 362,000 bushels today. We think they will increase fast at the expense of Canada, as with these cheap gulf offers it will be difficult for Canada to compete. Stocks at Duluth, Kansas City and Minneapolis decreased so far this week, 1,669,000 bushels. However, we expect very heavy unloadings at Kansas City between now and Monday, which may change the picture. Wheat receipts at different terminal markets were enormous today-- 2,761 cars. We believe by next Monday Illinois, Indiana and Missouri will be added to those states which have been offering wheat right along, and it will require continously new speculative buyers to take care of the hedging sales; in our opinion, buyers can only be induced to make purchases by gradually reducing prices.

Corn had its own troubles; prices were boosted right along on account of dry weather in the corn belt, and last year's experiences have not yet been forgotten. However, it started raining in different places during the session, and more thunder showers are predicted; possibly the drought might be broken. Corn had a very sharp break, and other cereals sympathised with it.

UHLMANN GRAIN CO.

July 2, 1931.

We also think that the farm board's move to reduce its holdings at the rate of 5,000,000 bushels a month is a much better move than that of the Canadian Pool, which tries to boost prices just at the beginning of the crop, and to that extent permitting other countries to undersell them.

We had various cables today intimating that Russia is offering wheat very freely and this is at a very much earlier date than last year. Nobody knows much what is going on in Russia, but usually great events cast their shadows ahead, and it is very significant that even at the low price Russia should make such efforts to sell its wheat now- evidently they may have plenty of wheat to dispose of.

There were heavy rains in Kansas, also in Texas, which may interfere to some extent for a few days with the harvesting now, and also possibly affecting the quality a little. This caused a little firmer feeling on cash premiums in the Southwest, but starting Monday we expect a tremendous movement developing in Illinois, Indiana and Missouri, for which there is only one outlet- namely, Chicago. This wheat cannot possibly compete with the cheap Gulf wheat for export.

Estimates of private crop experts making the crop perhaps 10,000,000 bushels less than the 900,000,000 bushels, which we predicted sometime ago, had no effect on the market. We still believe that the crop will be over 900,000,000 bushels, as the test weight indicates to us that the crop must be a very large one, and on such crops the estimates are usually raised every time a report comes out as the season advances.

July and September wheat narrowed today, but we do not believe this is of any consequence and will not last; should it stay where it is now there would be such quantities brought here from all over, so as to widen it again.

Corn fluctuations were comparatively very small. There was some relief in the corn belt, with more in sight; some places are still without sufficient rain, but a crop of 3,000,000,000 bushels is in sight at the present time, which might still be raised if conditions are favorable, but somewhat curtailed if unfavorable.

Oats and rye were also comparatively unchanged.

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FORT WORTH GRAIN AND COTTON EX.

July 2nd, 1931.

Liverpool wheat cables were a trifle lower at our opening and about as expected. From now on we would rather assume that Liverpool will follow our advances more readily than our declines, because their futures are already selling at such low levels and way out of line with ours that it is hardly to be assumed that this can go much further. We are inclined to think that tomorrow cables should come considerably better, as Winnipeg showed a very strong tone all during the session.

We were advised that the Canadian Pool has been sustaining the market there, from which we conclude that proper financial arrangements have been made with the banks for the handling of the new crop. This will not change our opinion as to the ultimate values, because it has been shown so often that any artificial support usually ends the opposite of what was expected. Supply and demand will still regulate markets. There is no question of a doubt that the Canadian crop will be a poor one, compared with last year, and considerably below the average, but not necessarily a calamity, particularly when it is considered that their carry-over on July 1st was about 150,000,000 bushels, and on August 1st, their calendar year will be over 130,000,000 bushels, which is too much for a country which consumes only about 100,000,000 bushels.

There was some encouragement for the bull in Broomhall's cables- intimating that prospects for Australia will be very poor, on account of a much reduced acreage and on an unfavorable start of the wheat plant. Also advices from Argentine indicate much reduced acreages. We are thoroughly convinced that in the long run the wheat situation will correct itself and prospects for the distant future are distinctly favorable. North America this year has reduced its acreage 5,000,000 acres, and should we do the same next year than we would have a reduction from the high point of 10,000,000 acres, which ordinarily produce 150,000,000 bushels of wheat; however, this will not help us this season. It seems that with the exception of Canada every country has produced large crops; United States easily 50,000,000 bushels more wheat than last year, with 50,000,000 bushels less consumption if our corn crop should turn out to be normal; France, Italy and Germany have bigger crops, and Russia a much larger acreage, so there will be a burden on the market for sometime.

Today hard winter wheat receipts at various terminal points were easily 4,500,000 bushels, and it is these hedging sales which come into the market every day that make it difficult to boost prices even tho the feeling should be more friendly. Primary receipts of wheat were also double those of last year- namely, 2,730,000 bushels compared with 1,303,000 bushels in 1930. There were no Gulf clearances of American wheat today; we understand that parcel froom at Gulf ports is pretty scarce, and therefore, it may take until August, or at least until late in July, before a big export business for American wheat will develop.

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FORT WORTH GRAIN AND COTTON EX.

July 3rd, 1931.

Liverpool wheat cables were very weak today, probably influenced by further offerings of Russian wheat and also by Canadian news regarding the financial standing of the Pool.

By far the most important factor influencing the wheat market today was a statement published in the Free Press at Winnipeg, according to which the Canadian wheat pool will have to go out of existence. The three provinces may take over the elevators and operate them, either separately or under one management. Later, these reports were denied and the pool announced that it would issue a statement between now and Monday.

Now as far as we are concerned, it will make no difference to us what the statement will be. Our conclusion is that the results after about seven years' operations of the pool have proven quite positively that its system of handling the grain was wrong; and while it cannot be proven, we are convinced that the farmers obtained less money on an average for their wheat than if no pool had ever existed.

It is very clear to the banks that the system of carrying wheat from year to year in ever-increasing quantities is disastrous, and therefore no matter what statement is forthcoming it is clear in our mind that from now on the merchandising of the Canadian wheat will be done on a different basis.

The situation is insofar serious, as Canada at the present moment has about 150,000,000 bushels of old wheat; and we are convinced that this wheat will have to go into consumption or be sold for export during the coming year. Therefore, the depressing effect on the market will be very great. We always believe that Canadian wheat may be purchased at good premiums over ours on account of its superior quality, but if there is extraordinary pressure we may temporarily see Winnipeg sell below its intrinsic value. This morning at one time Winnipeg December wheat and Liverpool December wheat were practically the same price; a most ridiculous situation under the circumstances.

We are afraid that the collapse of the Canadian Pool is particularly unfortunate this season, when the FarmBoard had imitated the Canadian example and accumulated more wheat than can be judiciously handled; and therefore the penalties for taking the wheat business out of the hands of regular merchants are coming very swiftly.

In this country we shall also soon feel the effects of last year's accumulations by the Farm Board when the wheat should have been sold. Our visible supply from the first of July, 1930, to the time when it reached its maximum was almost 100,000,000 bushels, and should this be repeated this year, inasmuch as the visible now is 80,000,000 bushels larger, it might reach as high a figure as 280,000,000 bushels. Of course, lack of storage room will probably prevent this, but then this means a terrible congestion. Otherwise, we do not see why the visible supply should not increase just as fast as last season, as the crop is much larger and consumption less, because last year perhaps an extra 50,000,000 bushels were fed. Of course, we appreciate that the Canadian crop is smaller, but on the other hand their big carryover will have to be sold. Anyhow, it will make a very unsatisfactory situation.

Receipts of wheat at various terminal markets again were extremely heavy today, amounting to 3,885 cars or more than 5,000,000 bushels/ Clearances of American wheat amounted to only 112,000 bushels. Stocks at Duluth and Minneapolis show good decreases so far this week- almost 2,800,000 bushels. Primary wheat receipts today a little over 3,000,000 bushels compared with 1,092,000 bushels last week; holiday year ago. For the week they were 13,400,000 bushels compared with 5,600,000 bushels last year, but at that time July 4th fell in this period, therefore we had a day less.

Bradstreet's export cldarances for the week 6,500,000 bushels, about 500,000 bushels less than last week, but 1,250,000 bushels more than last year.

Corn weather was considered extremely favorable, and makkets softened accordingly, altho there was some reaction toward the end of the session.

Oats and rye continued to be neglected and followed the other cereals very closely.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

July 6th, 1931.

It was a foregone conclusion that our markets would be lower today. The news over the fourth of July and over Sunday had been extremely bearish; foreign markets which were open, like Liverpool and Winnipeg, all were weaker, and the weather had been highly favorable; there were wonderful rains in Canada, where badly needed, good precipitation in our Northwest and, except in spots, very fair harvesting weather. The corn belt also had good precipitation. This, together with very heavy receipts and continued hedging sales, as well as poor export demand, could not help but bring about a depressed condition.

Certainly prices are extremely low, and when one looks at the Kansas City July future at about 46 1/2¢, which will hardly net the farmer 35¢ at many places, it is certainly strange that anybody should wish to sell wheat short and hope for lower prices; but if on the other hand, one looks at the deplorable condition which has been brought about thru the continued accumulation in Canada for seven years and in the United States for almost two years, it is difficult to say what the final outcome will be. Had it not been for the fact that we have seen such unbelievably low prices in sugar, as well as in rubber, we might think that the end has been reached, but a lesson has been taught now that when an article is being overproduced, prices may temporarily go to such depths that the cost of production cuts no figure. We are also fully aware that we have seen the height of overproduction, and that starting next spring, or perhaps as early as January, there will be a gradual improvement, but it is a long time to wait, and in the meantime storage and insurance charges have to be paid.

The visible supply today increased 1,203,000 bushels, compared with 3,478,000 bushels last year. However, wheat receipts at various points were 8,352,000 cars, or over 10,000,000 bushels, and therefore think from now on increases in the visible supply will be very heavy. There were a few cars of new wheat in here today from Illinois, but the heavy movement from there will not start until next week, and toward the end of the month we would not be surprised to see daily from 500 to 1000 cars, as the crops in Illinois and Indiana are unprecedently large.

Corn was also very weak, except the July future, in which there exists a very large concentrated interest.

Oats and rye followed the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

July 7, 1931

Cables were stronger today before our opening, and during half the session, but lost a little at the end. There was no improvement in the wheat demand, but final settlement of the moratorium question created a firmer feeling. Here we were also influenced by the same reasoning; but, after the market had advanced, continuous hedging sales were too much as the market could not absorb these without recessions. This is something we will have to contend with for some time, and therefore, in spite of the low prices, it will be very difficult to start a bull movement.

There are some years when the exports and milling demand offset the hedging sales, but this year the crop is too large, and the movement too great, for one to equalize the other. For instance, today there were again receipts at various markets amounting to 2,273 cars, or perhaps 3,000,000 bushels; and clearances, while increasing, from Galveston and Philadelphia were only 668,000 bushels. Last year our clearances of American wheat the first three months of the crop year were quite heavy: in July they were over 16,000,000 bushels; in August, over 24,000,000 bushels, and in September, 19,000,000 bushels, or a total of over 59,000,000 bushels. We can hardly expect a repetition of that as there is very little wheat sold ahead, and we are entirely out of line from many markets with Liverpool, which is only 4¢ over ours on the July future.

Corn remains very strong for the July future, in which a large concentrated interest exists, but September and December are not much in favor.

Rye and oats fluctuated with the other cereals.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

July 8th, 1931.

Liverpool wheat cables were very weak before our session opened; in fact, they approximated recent low levels. We opened a trifle higher, as undue importance sometimes is paid to some minor events, but the fundamental wheat situation remains unchanged-- very weak.

We have been asked several times lately whether we are positively off the bear side of wheat, because we have assumed a rather cautious tone in our market letters, and pointed out the very low prices. We have been compelled, however, to state that at heart we feel unchanged, that we think for the present the continued hedging sales will remain a factor; that heavy accumulations which have taken place during the last two years are finally being felt to such an extent that almost nothing else counts, and that we still believe further declines will follow. However, we have in mind that whatever breaks will be made from now on will be gradual and slow, and after all, the price is insofar dangerous, as in our opinion, there will be lots of wheat fed and used as substitute for other cereals, so that the consumption ought to be at a maximum. Furthermore, there will also be the tendency, as much as possible, to hold the wheat. Whether all this will offset the effect of the extraordinarily large crop, in which we still believe, is impossible to tell. The worse feature of the situation is the poor export demand. Of last week's exports, the United States furnished only 2,288,000 bushels; considering that in 1930 we exported 16,000,000 bushels during July, so far we are not doing anywhere near as well as we did then. Clearances today of American wheat were only from one Port; namely, Galveston, 507,000 bushels. Primary receipts are keeping up at a big rate- 2,833,000 bushels compared with 1,888,000 bushels last year, or almost 1,000,000 bushels more. Carlot receipts at various terminal points amounted to over 3,200 cars, or over 4,000,000 bushels. The Northwest markets still show a decrease, which probably will continue until their new wheat comes on the market, but this will be offset by increases at winter wheat points. So far this week decreases at Kansas City, Duluth and Minneapolis are 401,000 bushels.

President Hoover was quoted today as stating that he will not interfere with the policies of the Farm Board, which was to be expected, but incidentally he refers to the accumulation of wheat as being 250,000,000 bushels; this is a larger figure than has been given out so far, but coincides more with the figure which we have mentioned right along- 260,000,000 bushels.

Corn was considerably weaker, except July corn, in which there is a large concentrated interest, and the deliveries so far have not been sufficient to depress the price.

Rye and oats continue to be neglected, and their fluctuations very small.

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FORT WORTH GRAIN AND COTTON EX.

July 9th, 1931.

Liverpool wheat cables were very weak again; foreign markets making new low records, and a condition exists abroad such as nobody has ever seen; therefore, it is difficult to predict just when the turn will come from the extreme depression and what will bring it about. England, the only free country among those which have a large population, cannot absorb all the heavy offerings from Russia, the Balkan States, North America, Australia and Argentine. Germany has a good crop this season and is protected by very high tariffs, and their agricultural producers are not doing badly at all, realizing remunerative values; a new decree was issued, according to which millers have to use 97% of home-grown wheat at the present time. France is similarly situated-raising almost enough for what is needed at home, together with what they import from their own colonies in North Africa. Italy also is protected with high tariffs and buys a great deal from Russia; therefore many of our former good outlets are gone at present. Consequently, it is not very remarkable that our clearances keep comparatively small; today with the exception of Philadelphia, which cleared 60,000 bushels of wheat, there were no clearances of strictly American wheat.

We think that the Farm Board is not even making an attempt to sell wheat for export at the present time, but even so the movement is so extremely heavy that there will be great accumulation of stocks, and we fear that this will hurt the farmer when he wishes to dispose of his corn later on, as there will be no space to store it at the beginning of the movement.

Primary receipts were again larger than last year, being 2,968,000 bushels compared with 2,386,000 bushels last year. Receipts at various terminal points were 3,778 cars, or over 5,000,000 bushels.

The Farm Board in order to make storage room lately has shipped more and more wheat to Canadian ports, and according to our latest report, there are 15,000,000 bus. stored there compared with 4,425,000 bushels last year.

It is difficult under these circumstances to give good sound advice for new speculative ventures. We all know that when the farmer has a loss one year and another loss staring him in the face, he will reduce his acreage; this, no doubt, will be done the coming season, and later on speculators may anticipate this reduction, and buy heavily in expectation, which gives a more hopeful view of the future, but this is so far ahead that it is difficult to advise investments at the present time. There is also the fear that hedging movement has only started, and will continue, and if there are not sufficient buyers, regardless of intrinsic values, nobody can tell how low values might go.

There was a sharp break in July corn today, evidently one of the long holders liquidated. The other futures were comparatively firm.

Rye and oats, continue to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

July 10th, 1931.

Liverpool wheat cables started a little higher than due today, but on account of heavy Russian offerings they declined again, making new low records. We believe this is the seventh day of declines here and prices are practically at the absolute bottom. The reasons are not far to seek; country movement is enormous and hedging sales proportionately large; new buyers have to be found daily for additional hedging sales which come into the market, and the export business does not offset this everlasting stream.

There is no doubt in our mind that the wheat crop must be very much larger than anybody so far has admitted, or else we cannot imagine that the farmer would be so anxious to sell his wheat at what looks to us like ruinous prices. Nobody likes to see such a calamity and it is poor consolation to say that we predicted it would come when the attempt was made to stabilize prices. As we have pointed out very often, we believe that these low prices will finally bring about their own cure, and we look forward to large decreases in acreages all over the world. We claimed right along that advices and talk would not bring this result, and the actual demonstration to the farmer that he will only be hurt by raising more than is wanted, will convince him of the futility of over-production.

Receipts at various terminal points today were over 4,600 cars, and as they are all heavily loaded this would mean over 6,000,000 bushels. Bradstreet's clearances for all of North America were only 5,828,000 bushels compared with a little over 8,000,000 bushels last year. This leaves very little for either United States or Canada when a division is made between these two countries. Canada is commencing to feel the absolute lack of export demand, and they now must see the futility of keeping their wheat prices above an export level; their market was extremely weak today, adding another depressing influence to our already weak condition.

There is nobody wise enough to tell when or how this depression will end. We believe that the lower prices go, the greater will be the consumption inasmuch as wheat will be substituted for other cereals, particularly corn, and in this way some correction may take place. In the meantime, we are inclined to think that carrying charges will widen, and therefore, cannot yet advise the purchase of wheat as an investment.

Corn, particularly July, was strong at times, but the other futures were neglected; there were fair rains in part of the corn belt.

Rye and oats continued to be ignored.

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FORT WORTH GRAIN AND COTTON EX.

July 11, 1931

Liverpool cables made a new low record today although they should have come higher had they taken the government's estimates on this year's wheat crop yield seriously. It is true they made the winter wheat yield very high, but the spring wheat prospects were estimated as poorly as they probably had ever been, practically 9 bushels to the acre. Inasmuch as the government raised the winter wheat yield from last month over 60,000,000 bushels, it was naturally argued why will they not do the same proportionately on the spring wheat crop, as all private experts think the yield will be much higher.

Any how, the weakness abroad, with very light export business, was again a depressing factor. Right after the opening there was a very fair demand for wheat caused by purchases against large flour sales on part of domestic mills. It is quite evident that large bakers, and other consumers, will take advantage of the opportunity to replenish their stocks at the very low prices existing. However, this demand in that direction alone will not be sufficient, without better export demand, to improve the situation.

There are very large supplies to be had yet in Argentine and Australia, which countries shipped comparatively little in 1930, and the total exports from Argentine from first of August to the end of their crop year were only a little over 18,000,000 bushels, and we are advised that at the present time that Argentine's supplies left are over 75,000,000 bushels. Also, the crop prospects in Italy, France and Germany are excellent, and these countries might produce 100,000,000 bushels more wheat than last year, which will be more than a sufficient offset for poor crops and less acreage in Roumania and Hungary. Also, Canada had 150,000,000 bushels wheat left on July 3rd with comparatively little sold ahead, so that country must continue to get rid of its immense holdings and come into competition with our market.

Primary receipts were very large again - 3,804,000 bushels compared with 3,145,000 bushels last year; and for the week they were very much the same as last year; a little over 21,000,000 bushels, while they were 22,000,000 bushels last year. New wheat receipts at various terminal points were about 4600 cars, over 6,500,000 bushels. We look for a good increase in the visible supply on Monday.

The statement on part of our President regarding the inadvisability of selling wheat short was not a market factor. The Board of Trade operators are too much impressed with the fact that neither the short seller, nor the long buyer, in the long run will have an influence on the market. It is the large receipts and the large carryovers which are responsible for the decline. Some of the large countries like India, which produces 350,000,000 bushels of wheat, or the Balkan States, have no future market at all, and consequently no short sellers, and yet their prices declined with the rest of the world. The sooner those who are in power become convinced that the size of the crops determine the price of wheat, and therefore no interference is needed, the sooner the recovery in value can take place.

Corn could not withstand the weakness in wheat and declined with it as did other cereals.

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FORT WORTH GRAIN AND COTTON EX.

July 13th, 1931.

It was a foregone conclusion today that all cereal markets would be lower. The newspapers had very alarming headlines about the German situation, and the feeling in England was also very pessimistic, so that wheat and cotton cables were extremely depressing. In addition to this, it was very plain that the stock market would be lower and that hedging sales would come on the market on a large scale, with insufficient demand for export as an offset. It was no surprise, therefore, when new low records were made on all cereals.

The movement was simply enormous; cars at various terminal points amounted to 9,019 cars, and receipts at primary points were 7,771,000 bushels compared with 6,040,000 bushels last year.

It is very unfortunate that just at this time attempts should be made to blame the short seller of wheat for the depression in prices. Every economist knows that such tactics cannot be successfully practiced except for short periods, because were our prices unduly depressed buyers would come into the market at once and take advantage of it.

The New York Times in a scathing editorial says: "It is short thinking on the part of the administration and its farm board policy that has done the real harm, rather than short selling." In Cleveland milk could be purchased at 2¢ per quart thruout the city and in some places at 1¢, and yet there is no short selling in this article.

On August 1st, 1929, Chicago May wheat for 1930 sold at $1.63, in the meantime there was a carrying charge of 20¢ per bushel or $1.83. There is a decline now from this point of about $1.30. Anybody who has our market letters on file will find that we had been persistently bearish during all this time, but we have reached a point now where we cannot advise waiting for the last cent and still play the bear side of the market. We feel that were we now in the period of January we would advise the purchase of wheat, because we anticipate a large reduction in acreages all over the world, a large consumption for animal feed, and it is not likely that as large a crop as we had this year will be repeated. However, this is for a long pull and many things might happen during the next six months which possibly would wear out the bull, because there is nothing in sight to immediately advance the price very much. In other words, there are periods in the grain business where a man has to stand on the side lines, and this is one of those.

Corn naturally sympathised with wheat and was lower, so were oats and rye.

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FORT WORTH GRAIN AND COTTON EX.

July 14th, 1931.

Liverpool wheat cables were comparatively strong today; Europe also being much impressed with the low price of wheat. In fact, Liverpool futures are today at the biggest difference over Chicago futures in some time; this is nothing much to boast of as we are still easily 6 to 8¢ below a normal basis, but at least it is some improvement, and it is very important, as this country with its large carryover and its tremendous supplies needs export business more than ever. It is the lack of same which is so discouraging, even for those who would try to boost prices.

Broomhall gives last week's exports from the whole of North America as 5,853,000 bushels, of which the United States furnished 2,883,000 bushels and Canada 2,970,000 bushels; of course, inasmuch as we have from this year's crop alone over 200,000,000 bushels for export, or practically 4,000,000 bushels a week, this is a decidedly poor showing.

Primary receipts were very large again today- 3,581,000 bushels compared with 3,000,000 bushels last year, and new wheat receipts at various terminal points today amounted to practically 4,000,000 bushels and are still very heavy. There is no let-up yet in wheat offerings, in spite of the very low prices, which in some places in Western Kansas net lessthan 30¢ to the farmer; the same in the Panhandle district, but this we feel is bound to change sooner or later.

The market did just about what we indicated yesterday it would do; only small fluctuations, and as the best anybody can hope for is to guess the long swings right, it is useless to predict these minor fluctuations. We feel the same now as we did yesterday, and see nothing in sight that could give us a 5¢ bulge or a five cent break within a reasonable length of time.

Corn, oats and rye also fluctuated but very little, and the final close shows only the smallest difference compared with last night.

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FORT WORTH GRAIN AND COTTON EX.

July 15th, 1931.

Liverpool this morning did not follow the full decline in North America, which had been registered yesterday. However, they did recede to about the lowest levels of the season again, and with October wheat over there at 60¢ the bulls in Chicago could derive very little pleasure from the comparative strength.

The news from abroad was also unsettling; the stock market reflected sharp declines as the result of the closing of banks in Hungary and Austria, as well as Germany, and even Sterling exchange, which up to this time had been unaffected, suffered with everything else.

The wheat trade had gotten to a point where declines could hardly be expected in very heavy measure, as the price now ruling in Chicago only means 20 to 30¢ in many parts of the Southwest, and of course farmers will not forever sell at prevailing levels, The fact, however, that there are so few shorts here in Chicago makes the market very susceptible when any selling of consequence comes into the pit, and at one time values dropped not only to the season's low, but July wheat touched the lowest figure ever established on the Chicago Board of Trade. In spite of all political and financial trouble, however, sentiment, after a prolonged break of 8 to 9 days, took a little more to the buying side, and whenever Winnipeg or July corn showed a little strength the wheat market responded quite readily.

The general trend of news does not change much from day to day. Primary receipts are very heavy, and despite the almost desperate prices which are being paid for cash grain in the country there were 5,145,000 bushels of wheat at terminal markets today against 2,833,000 bushels last week and 3,496,000 bushels last year. In addition to this, the movement of new wheat was large and carlots again showed over 4,000 arrivals at terminal centers today.

We continue to feel that bearish factors are pretty well discounted in the present prices, but at the same time there is not sufficient export demand nor speculative power to boost markets very much, with hedging pressure as drastic as it has been for the last few days. This being the case, we adhere to our theory that the price range will not be very violent and for speculative purposes we consider the best transactions those involving purchases in Liverpool against sales in Chicago, as well as carrying-charge spreads, which we have been recommending right along.

Trade in corn was not large, altho price swings were much greater than in wheat. The July delivery has an open interest of less than 9,000,000 bushels, but at the same time seems to be congested, and either buying or selling unsettles the price quite materially. There was quite a little short covering today and the deferred deliveries also sympathised somewhat; talk also prevailing that high temperatures over the belt might do some harm.

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FORT WORTH GRAIN AND COTTON EX.

July 16th, 1931.

Liverpool was fairly strong this morning- their quotations apparently reflecting a betterment in economic conditions thruout Europe, and the hope that the German settlement might be closer at hand. The fact that the stock market was somewhat better encouraged this view. We also know of some purchases from this side which were probably instrumental in causing a stronger market at Liverpool, altho advices from the other side, as far as actual wheat is concerned, show scarcely any improvement. We are told now that crops in Italy, Germany and France will be larger than last year, and meanwhile the export business from this country is almost at a minimum, whereas at this season of the year we should be doing our best business.

Talk yesterday that the Russian crop had shown considerable deterioration could not be confirmed, and we are informed from the other side that Russia further reduced grain prices and chartered an enormous amount of tonnage.

We had felt for a time that on account of the extreme cheapness, movment from the country might dry up; the advance in price, however, has brought about a better offering from the country, and our own purchases today were quite considerable, altho little could be sold to mills.

The situation in Kansas is again becoming such that we fear terrible congestion within the next ten days. Most of the elevators down there have nearly enough wheat on track to fill up the new storage which has recently been added. Even if the movement should become a little bit lighter now, receipts are apt to prove very burdensome. The carlots today were, if anything, heavier than the last couple of days; there were nearly 1,300 cars in Kansas City alone, and a total of about 4,400 cars in practically all reporting markets, which would be about 6,000,000 bushels of new wheat. Primary receipts were large- amounting to 4,087,000 bushels compared with 2,968,000 bushels last week and 3,886,000 bushels last year. So far receipts at Duluth, Kansas City and Minneapolis show a net increase of 304,000 bushels, and with the poor export demand we expect another rather good increase in the visible supply next Monday.

We would consider it dangerous to become bullish on this advance, even tho sentiment is more favorable to the constructive side. Markets might become very easily overbought, and with the short interest almost negligible recent buyers might find it very difficult should they wish to sell out.

Corn was extremely active, and with mostly hot and dry weather over the greater part of the belt, it was easy to get buying power into the yellow cereal. The leading holder of July was supposed to have been buying September, and the trade pays a good deal of attention to these individual transactions. There is a prospect for showers and a break-up in the warm weather during the next forty-eight hours, and therefore this cereal remains a weather proposition.

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FORT WORTH GRAIN AND COTTON EX.

July 17th, 1931.

Liverpool wheat cables were very disappointing this morning; instead of coming higher, following the advance in North America yesterday, they were lower and closed at about the lowest figures. Generally speaking, there is not much change in the news anywhere, and the only factor which was responsible in making some of our traders cautious was the extremely low level of prices. On the other hand, premiums at the Gulf are low without bringing about much export business, and the daily hedges require new holders if prices are to be advanced, or even maintained.

There has been very little attention paid recently to the good weather which has prevailed in Canada, also in parts of our Northwest- the recent rains having done a world of good. Of course, everybody knows that with the severe weather which the spring wheat encountered at the start, there is no likelihood of a bumper crop, but it is felt nevertheless that prospects are somewhat better than they were two or three weeks ago. The Canadian Pool was out with a report showing the condition of wheat as of July 15th at 57%; this would indicate a crop of about 240,000,000 bushels for all of Canada, altho they do not publish any estimate with their report.

Bradstreet's exports from North America for wheat and flour are somewhat better than last week- being 6,555,000 bushels against 5,828,000 bushels last week and 6,759,000 bushels last year. The total since July 1st is 18,883,000 bushels against last year 20,096,000 bushels, and considering that our crop is larger and possibly 50,000,000 bushels less will be used for feeding purposes, this does not show a very rapid disappearance, with the heavy stocks now on hand.

Mr. Stone came out with a very frank discussion, and has not changed his attitude as announced July 1st. He even goes so far as to state that stabilization operations on this crop will not be practical on account of the board having insufficient funds to carry on such work.

Primary receipts were again very heavy- being 4,163,000 bushels today against 3,543,000 bushels last week and 3,678,000 bushels last year. The carlot movement from the country remains very large with over 4,300 cars being received, which would amount to over 6,000,000 bushels.

It is true that sentiment at the moment is quite bullish because of the better feeling on political matters abroad, and a stronger stock market; however, this does not put wheat into consumption, nor improve our export business; therefore, we cannot enthuse on the bull side in spite of the very cheap price level.

Corn was weak from start to finish; yesterday's buyers were conspicuous by their absence, and with the break-up in the weather now, cooler temperatures and possibly rains coming over the week-end, the disposition was to sell out and even the July delivery, which has been congested, showed signs of weakening. The yellow cereal of course will remain a weather proposition, but experience has taught us that corn needs lots of hot weather, with of course some rains mixed in.

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FORT WORTH GRAIN AND COTTON EX.

July 18th, 1931.

Liverpool wheat quotations this morning were extremely weak; this in spite of the fact that the fourth report of the Winnipeg Free Press was out, with a somewhat bullish statement. They claimed that rains had been quite substantial but had not improved the condition of wheat much during the last few weeks. The trade, however, is reconciled to the fact that there will not be a bumper crop in Canada this year, and to that extent the world is fortunate, because it would prove almost ruinous at the present low level of prices. From others, reports from Canada are not quite as pessimistic; Stoddart claims that in Alberta conditions are generally very good and very few poor reports from that Province; in Manitoba they claim that the growing crops have had the full benefit of moisture and making good headway in most districts; Saskatchewan, of course which is the largest in acreage, has probably suffered the most, and they claim more rains will be required during this month, altho recent moisture has done an immense amount of good and even the very dry areas have improved.

The chief depressing influence at the moment is the fact that Europe will not respond to any minor bullish attempts; they appreciate that Argentine, which has already shipped 33,000,000 bus. more wheat than last year, has only disposed of 56% of the crop, whereas ordinarily during the first six months of their season they get rid of about 70% of their wheat crop. Meanwhile, native wheat in Europe is doing well, and with the high tariffs, it is not reasonable to suppose that they will take more than present requirements. This has occasioned very low premiums for Gulf wheat from an export point of view, and a 2¢ discount FOB Gulf Ports is not very encouraging.

Stocks so far at Minneapolis, Kansas City and Duluth show an increase of 1,215,000 bushels, and of course an increase in the visible supply is imminent on Monday. There were 4,185 cars of new wheat again at various markets today, and as long as 6,000,000 bushels of wheat are distributed around, this is ample to take care of even the large milling business. Primary receipts were 4,257,000 bushels compared with 3,804,000 bushels last week and 4,553,000 bushels last year.

We continue to feel that there is too much wheat everywhere, and look for an increased movement next week from Illinois and Indiana, Of course, these places will be a source of supply for the Chicago district and will take place of some of the smaller receipts which may come to Southwest markets.

The weekly weather forecast indicates scattered showers at the beginning and again towards the end of the week, with temperatures near normal over the Great Lakes region; further South weather will be mostly fair and moderately cool; also somewhat unsettled, which of course is good for corn; as the yellow cereal depends upon weather it looks as though the immediate outlook was quite favorable.

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FORT WORTH GRAIN AND COTTON EX.

July 20th, 1931.

Cables were a trifle higher than due, probably influenced by the more favorable news from abroad. We, ourselves, are convinced that the great danger of the possible German financial collapse is over and that the various Governments will have both the will and the ability to assist Germanysufficiently so that this corporate body will be able to function in a satisfactory way from now on. There may be many obstacles yet to overcome, but where there is a will there is a way, and we expect greater normalcy in business and greater confidence.

Our wheat market here opened about unchanged, but as it is influenced now more by conditions than by sentiment, the feeling was draggy during all the session, hedging sales still coming in in rnormous quantity and wheat exportations are absolutely insufficient, with no prospect yet for much of an improvement. World expotts so far are only 10,734,000 bushels compared with 11,311,000 bushels last year; North America contributed 5,260,000 bushels compared with 7,499,000 bushels last year. Considering that this ought to be our best period for exporting wheat, it is a very poor showing for both the United States and Canada. Canada is not an aggressive seller at the present time, but no matter how poor the next wheat crop will be, they are bound to offer wheat more freely when the movement starts.

Primary receipts of wheat are still heavy- altho lighter than last year- being 7,416,000 bushels compared with 8,282,000 bushels in 1930. The visible supply increased 7,198,000 bushels, which brings it up to almost 200,000,000 bushels-- only a trifle smaller than when the maximum was reached last season.

When Sir Arthur Balfour returned from Canada recently he made the following statement:- "Providing Canada can liquidate her wheat position without too much loss there is no reason why she should not recover economically fairly soon. I think it is the last time in the lifetime of any present Canadian that any attempt will be made to form a wheat pool or to interfere in any way with normal supply and demand for wheat." We believe that after this year his prediction will probably hold good for the United States, as well as for Canada. In other words, we may look for more normal markets. Fortunately the prospect is quite favorable for the wheat situation to gradually correct itself. North America this year already had 5,000,000 acres less than last year, and now Broomhall estimates that Argentine and Australia will have 8,000,000 acres less. This would mean, on a normal crop, a reduction of 175,000,000 bushels from the period when over-production was the largest; a little more and we shall be on a normal basis and production will about equal consumption; nothing then would prevent high prices in short crop years except the big carryover. It is to be hoped that there will be no further interference with consumption, in which case we shall consume a great deal more than normal this year for animal food and for other substitutes. However, this will take a long time until it is felt, and in the meantime we have to reckon with a very heavy movement; therefore, see nothing in sight to advance prices. In other words, we would not be surprised if we should gradually sink a little lower.

Corn suffered today from reports of very heavy precipitation in the corn belt, just where it was wanted, and as far as our information goes, the outlook is still very favorable for a very large yield.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

July 21st, 1931.

Liverpool wheat cables were quite indifferent today, closing a trifle lower, but they played no part in the making of our market, which was entirely influenced by local conditions. It gradually has become quite clear that the Farmers National Grain Corp., a subsidiary of the farm board, is taking its place in trying to congest the nearby futures, and in doing so they apparently accumulated a large line of July wheat, and up to the present time paid for almost all the wheat which had been delivered. Inasmuch as cash wheat is not in very good demand, this wheat has to be stored; it looks like another indirect accumulation of wheat in this market, and is likely to bring about a congestion. Also as long as September wheat can be purchased at the same price as July wheat, the latter naturally would be the cheaper, and only institutions financed by the Government can permit themselves the luxury of buying what apparently is the higher priced article rather than the cheaper one.

Broomhall's summary was reasonably favorable, and the most interesting part always is what he writes about Russia; he mentions that harvesting there is progressing and that British newspaper agents telegraphed from Moscow that a bumper crop is anticipated and that charterings continue active. Reports from other countries are not quite as favorable.

An effort is being made to subsidise wheat in Canada- about 5¢ a bushel; such a move we consider would not be favorable in view of the fact that we have a world's overproduction and that subsidy always has a tendency to increase acreages rather than decrease them.

Bradstreet's visible supply shows about the same increase as last year, and the total up to now is 382,000,000 bushels compared with 295,000,000 bushels last year. Primary receipts were lighter than last year- 3,441,000 bushels compared with 4,345,000 bushels in 1930. Clearances are extremely light being 138,000 bushels, and so far this month we have cleared from North America only a little over 17,000,000 bushels, so at the outside, this month our clearances will be about 25,000,000 bushels, and for all of last year the clearances were 368,000,000 bushels. So it is apparent that for the first month we did not do our share of export business.

Chairman Stone's speech which had been anxiously awaited over the radio yesterday, did not bring any news. He blames the overproduction all over the world for the low prices, and on this we agree with him. However, we do believe that the artificial prices of last year also added to the otherwise unfortunate situation; more than this, the continuous boosting of the nearby future, which diverts wheat into the wrong channels, brings about congestion, and makes elevator room in some places all the scarcer and enables elevator men to buy wheat at much larger discounts than otherwise would prevail.

There were some further rains in some parts of the corn belt, but fluctuations were comparatively unimportant.

ats and rye continue to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

July 22, 1931.

Liverpool wheat cables were decidedly weak today, making the export business, which is already difficult still harder. We presume that European countries are very much impressed by the very favorable reports coming from Russia, and The International Institute at Rome reports that the Soviet Government promises to harvest a bumper crop. Of course, our shipments will decrease in the same measure as Russian shipments come on the market, and the showing we have made so far on this crop is extremely poor. For last week the shipments from Canada were 2,512,000 bushels and from the United States 2,748,000 bushels; not enough from either of the two countries to relieve the situation. Last year at this time North America contributed very heavily to the world's supplies, as follows:

July	25th	-	9,167,000 bu.
August	1st	-	8,283,000 "
"	9	-	9,752,000 "
"	16	-	9,864,000 "
"	22	-	10,408,000 "
"	29	-	10,504,000 "

This year with such small amount of freight room chartered, we think the showing will be a very poor one by way of comparison. The question enters into our mind, and it will be with us perhaps for the whole season- What are we going to do with our wheat? By this we do not mean the wheat accumulated by the farm board for two years- this of course will stay here more or less, but we have raised another bumper crop- possibly 875,000,000 to 900,000,000 bushels, which would give us an exportable surplus of over 200,000,000 bushels, and with the Canadian wheat coming on the market soon, competition certainly will be very severe!

At the present time the trade pays more attention to temporary local conditions; primary receipts being only 4,445,000 bushels compared with 5,682,000 bushels last season, showing a holding tendency on part of the farmer. There were also some crop reports from the Northwest which were not very favorable, but of course, the poor crop prospects are already discounted, it being well known that the Southwest will more than make up for any shortage. The open interest in July decreased a little over a million bushels, but is still large, with only nine more days to go, including today, at 11,317,000 bushels. It is supposed that the subsidiaries of the farm board are the big longs. We, ourselves, do not see their object, as the accumulation of more wheat here in Chicago will not help the farmer, but will make a badly congested condition. However, they evidently know why they continue the policy of buying the nearby future, which with carrying charges considered, is extremely high. Until we dispose of more of our wheat we see no good reason to make purchases.

Corn weather in the main was considered favorable and the price accordingly lower.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

July 23rd, 1931.

Liverpool wheat cables today were practically unchanged; they were a little higher at one time, but lost the advance- to all of which our trade paid very little attention. In fact, the foreign news is almost as much ignored as if we were on a domestic basis. This is partly accounted for by the fact that the price of wheat is already so low that there are no short sellers to speak of, and commission houses are very conservative in their advices. This, however, will not prevent us from finally going to a basis where the wheat must be exported; therefore, unless foreign countries advance their ideas, we shall have to come down to their prices. The reason for the weakness abroad can easily be explained; Russia is still offering wheat very freely. We also understand that Roumania has raised an excellent crop, both in quantity and quality, and is offering it at very much lower prices than Canada or the United States.

Nevertheless, at the present time there is no great pressure on our market. There is, undoubtedly, a great holding tendency on part of the farmers; primary receipts are very much less than last season- being only 3,519,000 bushels compared with 5,066,000 bushels in 1930. This small movement may be partly due to the fact that freight rates will be very heavily reduced in some territories on August 1st, and many country elevators are holding back until they can take advantage of this reduction.

Argentine estimated shipments were quite heavy this week- 2,205,000 bushels compared with only 425,000 bushels last year, and our net clearances were quite insignificant- 102,000 bushels from Galveston and 48,000 bushels from New York.

July wheat is still on a very artificial basis, being at a premium over September, but shorts are gradually covering. The open interest had been reduced about 3,000,000 bushels yesterday, and is now 8,534,000 bushels, which however will again be diminished by today's transactions.

Storage room is gradually being filled up in this country, and we now have to resort to Canada and use their available space. On July 20th Canadian ports had 16,891,000 bushels of American wheat in store, compared with only 4,371,000 bushels last season. If this accumulation of American wheat at Canadian Ports continues there will finally be created a shortage of room when the Canadian crop comes on the market, and this in turn will have a detrimental effect on their prices, and anything that affects them influences us, so it clearly shows how anything that is artificial will react unfavorably in the end. It was the intention to benefit the farmer, but he will finally suffer.

Fluctuations in corn were also extremely small, and while the weather is warm in some parts of the country, the crop prospects are still excellent.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

July 24,1931.

Liverpool wheat cables were again very weak, and while the actual declines are not very important, it is extremely depressing that in the biggest import market in the world new low records should be made right along; this, in spite of the fact that world shipments are not at all large. Argentine and Australia together shipped about 5,000,000 bushels and North America about 5,000,000 bushels, so the chances are that the total world importations will be only about 11,000,000 bushels, whereas normal requirements for Europe are supposed to be about 12,000,000 bushels and for ex-European countries 3,000,000 bushels, or almost 15,000,000 bushels a week. It confirms, what everybody already knows of course, that matters are not right in Europe. All the countries with the largest amount of inhabitants, with the exception of England, have very high tariffs, and in addition require an ever-increasing consumption of home-grown wheat; so at the present time neither Germany, France nor Italy are likely to become important buyers. What, under these circumstances, will become of our large surpluses of wheat until acreages are reduced, nobody can tell. Canada, which has been the greatest sinner in hoarding wheat for seven years, seems to continue the same policy of withholding wheat raisings from one year to another.

Their carryover in 1925	was	29,000,000	bu.
1926	-	39,000,000	"
1927	-	53,000,000	"
1928	-	94,000,000	"
1929	-	130,000,000	"
1930	-	131,000,000	"

Now in 1931 on July 18th they had a carryover of about 145,000,000 bushels, and as probably not more than 5 or 6,000,000 bushels will be shipped for the balance of this month, their carryover will be almost 140,000,000 bushels, which is equal almost to 1 1/2 years' home consumption.

Such policies must stop if we ever want to see dollar wheat again for the farmer. Before the farm board, pool and our Government started agitation about trying to help the farmer it was the custom to dispose of our surplus each year with a reasonable amount of carryover, and only since that time was this policy changed, to the detriment of prices.

Milling demand had been very big for a couple of weeks, but now it seems consumers are provided for some time to come. When freight rate reductions go into effect on August 1st, the chances are the movement of wheat from the country will increase again.

Argentine's futures are selling only about 43¢ per bushel. This looks like a low price compared to 58¢ for October wheat in Winnipeg and 53¢ in Chicago with 10 to 15¢ expenses attached before it could reach our seaboard.

There certainly is nobody who wishes to see wheat prices go any lower, but everyone is interested in getting out of this rut and see higher prices for the farmer at some time; therefore, it is to be hoped that nothing will be done to retard our export business, particularly as Russia seems to be willing to meet market values.

Primary receipts were considerably smaller than last year, in spite of the big winter wheat crop, being 3,364,000,000 bushels compared with 4,057,000 bushels last year. We expect the visible supply on Monday will show another increase, despite the fact that one large elevator at Minneapolis, of about 2,000,000 bushels capacity, which had been a regular elevator, has given up its license and the stocks will not appear in the visible supply.

Trade in corn was extremely light and fluctuations unimportant; crop prospects seem to be favorable, altho some territories, particularly Nebraska, are suffering. However, while our corn crop prospects may be reduced materially, yet the outcome might be very satisfactory.

Oats and rye are hardly mentioned, trade being so insignificant.

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FORT WORTH GRAIN AND COTTON EX.

July 25th, 1931.

Liverpool wheat cables were practically unchanged today; they were a trifle stronger than due. It looks to us as if Liverpool wheat ought to be very close to bottom prices. When we look at the July future selling under 56¢, it seems impossible that much wheat can be attracted from many countries, except at the most ruinous prices to the farmer. With the high inland freight rates in the Argentine, for instance, and considering that the wheat has to be sacked, we believe the farmer probably will not realize more than 20 to 25¢ per bushel. If wheat had to be shipped from Kansas City on basis of present Gulf prices it would probably not net more than 37¢ at Kansas City, or perhaps 27¢ to the farmer. In Chicago, doubt if wheat could be exported for more than 45¢ a bushel, and even that might be too high. So world shipments, under these circumstances, are bound to be comparatively small. There ought to be no undue pressure on the Liverpool market, but of course the pressure here will continue.

We believe exports this month of American wheat and flour will hardly exceed 12,000,000 bushels, if even that much; last year they were 16,000,000 bushels and the year before 13.575,000 bushels for July, showing that we are falling behind right along. Our clearances today from New Orleans 40,000 bushels, New York 16,000 bushels and from Philadelphia 40,000 bushels, making a total of 96,000 bushels, compared with 711,000 bushels last season.

Within a month Canada is bound to commence to press its wheat on the market; there will be no Pool operating this year, in our opinion, and the wheat will have to be hedged. Also the Northwest spring wheat movement will be in full swing by that time. There is no question but that farmers have been holding wheat back so far, and probably will continue to do so, but that does not mean that the wheat will not come forward sometime or other during the crop year, and there will probably be more or less pressure every day in the year until we dispose of a much larger quantity abroad than we have.

Primary receipts today were only 3,000,000 bushels compared with 4,356,000 bushels last year, and the total for the week was only 25,000,000 bushels against 32,000,000 bushels last year. This, of course, will give us a much smaller increase in the visible supply compared with 1930, when it increased 14,500,000 bushels.

Toward the end, our wheat market became very weak, mostly in sympathy with sharp declines in Winnipeg, where some of their futures sold at the lowest price on the crop.

Corn receipts were also very heavy and crop prospects continue favorable, which brought about some further declines.

Oats and rye receipts are next to nothing, but the demand is equally poor, and the tendency of these cereals is mostly influenced by the action of the other grains.

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FORT WORTH GRAIN AND COTTON EX.

July 27, 1931.

Liverpool wheat cables were extremely weak today, particularly at the close, making new low records; there is no question in our mind but that foreign finance has a great deal to do with these conditions; Merchants in Antwerp and Rotterdam whose main outlet is German consumption certainly can do no business where there is some doubt about receiving payments. This financial disease is also spreading to neighboring countries, and until it is cured and cured radically, we see little hope for the market, because in the meantime we certainly cannot expect to do much export business. With the United States alone having an exportable surplus of over 400,000,000 bushels, there is bound to finally be such an accumulation that it will become too burdensome for the speculator to carry. A number of statistics today already show how this is working; for instance, with world shipments practically the same as last year, or only 200,000 bushels less, the contribution from North America is 3,600,000 bushels less. Clearances of American wheat were practically none, with the exception of Galveston, where 300,000 bushels were shipped; while clearances last year the same day were also light, yet for the week they were very heavy and for the following weeks also, to wit:

July	31st,	1930	8,283,123	bushels
Aug.	7	"	8,387,983	"
"	14	"	9,564,160	"
"	21	"	10,011,552	"
"	28	"	10,339,988	"

Primary receipts were very heavy, altho nothing like they were a year ago, and were today 6,116,000 bushels compared with 7,350,000 bushels in 1930. However, when it is taken into consideration that there will be a large reduction in freight rates after August 1st, and that a number of country shippers are holding wheat back, even to the extent of paying demurrage charges, the showing is still a very good one. Also as a consequence of this inactivity in exports there is a new high record for all times in the visible supply; it reached the figure of over 206,000,000 bushels, which is more than it was in September 1930, which then was the peak for all previous periods.

There is still a large open interest in both July wheat and July corn; the open interest in July wheat being 6,106,000 bushels, and in July corn 7,347,000 bushels. We mention these two together as one influences the other. Lack of storage room has a great deal to do with the strength in the nearby future, and were it not for the fact that so much available room is needed for corn, the deliveries on wheat would be very much heavier, so the bulls in July wheat are not permitting this future to go to a reasonable disoount.

Russia is still an unknown factor, but judging from heavy charterings shipments from the Black Sea will be quite heavy in the near future.

We, therefore, see nothing encouraging in the wheat situation, except that we feel that the lower wheat will go now and the longer it will stay low, the higher it will go afterwards and the longer it will stay high. This is always the natural reaction after a great depression, and will be brought about again by diminishing acreages, provided politics will not interfere with this normal condition.

The most sensational event in this market was the great strength in July corn, which advanced at one time almost 3¢ per bushel. As pointed out before there is still a large short interest, and while receipts and deliveries are heavy they may not be sufficient to satisfy the longs. Some also consider the weather as being too hot for the best development of the plant, but we do not think that much damage has been done up to the present time.

Other cereals were more or less affected by wheat and corn, and trade in same is extremely dull.

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FORT WORTH GRAIN AND COTTON EX.

July 28th, 1931.

iverpool wheat cables hardly showed any change during the whole
ession. This is a condition which we expected, and which we believe
ay continue for sometime; their prices are so low that it is un-
hinkable that anybody should try to sell wheat short with the ex-
ectation of making much money, and inducements to buy are also not
ery tempting as long as Russia, Canada, Argentine, Australia and
he United States have such large surpluses and competing with each
ther to get rid of all they can.

ur market here suffered from hedging sales, which were not im-
ortant in quantity, but buyers are so scarce that any additional
ales are very depressing.

t one time there were new low records made for the season- in fact,
ver since future trading started on the Chicago Board of Trade;
his was the case when September wheat sold below 50 1/2¢, but from
hich there was a modest recovery. The reason for this situation is
ot far to seek; we just wish to point out a few salient features
hich make this situation so extraordinarily weak. The United
tates commercial stocks at the present time are 225,000,000 bushels
ompared with 143,000,000 bushels last year, when they were already
oo big, or a difference of 82,000,000 bushels. Then again, ac-
ording to Bradstreets, during the month of July our exports of
heat were a little over 23,000,000 bushels against almost
2,000,000 bushels last year, falling short about 8,500,000 bushels
n one month, and even in 1930 they were entirely insufficient.
herefore, it is very plain that any permanent improvement can only
ome from correction of these conditions, except later on a large
urtailment in acreages and poor crop prospects might also alter
he outlook.

or the present, with Liverpool futures only from 4 to 6¢ over ours,
ot much in the export line can be expected except from such points
here there is no choice and on account of location wheat must be
hipped abroad. Of last week's total exports from North America,
,855,000 bushels, the United States exported 3,570,000 bushels and
anada 2,285,000 bushels; clearly showing that Canada is no longer
n a competing basis with our Gulf wheat, and they feel very
everely the inability of getting rid of their great accumulations.
t one time their market was extremely weak, declining almost 2¢ in
bout as many minutes, but a quick recovery came about, partly
aused by a prediction of light frosts in Northern Canada.

rimary receipts are much smaller than last year- 3,082,000 bushels
ompared with 4,145,000 bushels last season, but as long as receipts
re still bigger than the demand it will not influence speculative
entiment. Starting tomorrow track deliveries are permissible, and
s all public elevators seem to be filled up, we look for very heavy
rack deliveries in both wheat and corn, making an already very bad
ongestion still worse. It is difficult for us to tell where finally
he owners of this track grain will find a place for it.

hicago open trades in wheat are 89,000,000 bushels- almost the same
uantity as last week, indicating that speculative investments are
ot increasing.

learances from Atlantic and Gulf ports of American wheat were only
74,000 bushels, and stocks at Kansas City for one day increased
15,000 bushels. The spring wheat markets are still showing some
ecreases, which will continue until their crop moves.

he corn market was also weak; weather judges claim that the hot
ave may break up after a day or two, and it is the general opinion
hat so far not much damage has been done.

ats and rye sympathised with the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

July 29th, 1931

We have to put wheat in second place today and start our market letter with corn, as the action of that cereal was the main guide in fluctations of wheat. July corn seems to be extremely congested; it looks as if one or more parties have purchased more than can possibly be delivered, and in consequence of which July corn advanced about 10¢ a bushel, reacting a little at the close but still maintained an advance of about 9¢. This great strength in the July future also affected September and December, but only in a limited way.

Wheat derived a little benefit from it but showed great inherent weakness, that in spite of this influence and further considering that Winnipeg was quite strong, it advanced only 1/2¢ per bushel. Of course, the large amount of stocks are still with us and hedging sales, while on a smaller scale, are still a depressing factor. Primary receipts were considerably smaller than last year- being 4,577,000 bushels compared with 5,259,000 bushels last year, but less attention is paid to same now, because it is expected that after August 1st when freight rates will be reduced, receipts will again be larger than in 1930.

For the next two days the wheat market will continue to be influenced by the action of corn. Inasmuch as the short interest in July corn last night was over 6,000,000 bushels, we might see fire works unless the longs should decide that the price is high enough, and rather than have any litigations or trouble, supply the shorts. There is still a fair sized short interest in July wheat, but it is likely that this will all be liquidated and the shorts will have no trouble in covering. However, there is nothing quite sure on this point either.

Oats and rye continued to be neglected.

UHLMANN GRAIN CO.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

July 30, 1931

Liverpool cables showed practically no change today, but very little attention is being paid to foreign news just as though this country would not have an exportable surplus which must be disposed of at one time or another. This would be a dangerous frame of mind were the price of wheat not already so very low, and this we presume is the reason why all news is ignored, the general impression being that the low price has discounted all possible conditions. This might be correct were it not for the fact that wheat is a very expensive article to store. We are convinced that we have seen bottom prices as far as the farmer is concerned, and the farmer who can hold his wheat, with hardly any expense, on his own grounds, certainly will get better prices one time or another. The holder, however, of September wheat will have to change it over sooner or later to December, then to May, so forth and so on, and these additional carrying charges added to the price might possibly make it impossible to realize profits unless the burdensome accumulations will be reduced, and for that there are no signs at the present time. Today, for instance, there were no clearances whatsoever of American wheat from Atlantic or Gulf ports - this at a time of the year when we should do a tremendous export business, at least 500,000 to 1,000,000 bushels a day.

Primary receipts of wheat were light again compared with last year, being 3,539,000 bushels compared with 4,103,000 bushels in 1930. However, this seems to be plenty as long as the demand also does not improve, and we look forward to another increase in the visible supply on Monday.

The chief attention in corn was paid to the July future which had the widest fluctuations, advancing as much as 5¢ a bushel - 72 1/2¢ - from which it reacted. The short interest in July corn was still over 5,000,000 bushels last night, but deliveries today were over 1,000,000 bushels. As commitments have been further reduced about 1,000,000 bushels, the chances are that the total short interests will be very reasonable by tomorrow, and we do not expect any fire works, although no one can tell exactly what will happen when only one more trading day is left.

If predicted showers in the corn belt materialize, we look for lower corn prices as the prospects are still quite favorable in spite of some deterioration which has recently taken place.

Oats and rye continue to be neglected.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

July 31st, 1931

All attention in the pits today was again centered in the final outcome of July wheat and July corn. During the last ten minutes it showed there was more wheat available finally than was wanted, and the July future declined about 3¢ from last night's closing price- being the lowest price ever known in the history of Chicago, or since the Board of Trade started trading in futures.

As far as corn is concerned, the shorts did not succeed in bringing enough corn here to satisfy the longs, and the closing price was the highest of the day- about 22¢ over September.

This incident being closed now will no longer be a market factor; the outcome of it depended largely upon technical conditions, and the immediate and more distant supply and demand will again be the ruling factors.

There will be no cables over Saturday or Monday, which probably will be satisfactory to the bull, because the Liverpool market cannot go down on days when the Exchanges are closed, and so far in spite of the low prices, we have steadily been threatened with lower quotations from abroad.

Bradstreets' clearances were very light again- being 5,774,000 bushels compared with 8,283,000 bushels last year, and the total for the month is about 30,000,000 bushels against 37,500,000 bushels last season. As a rule North America ships much more than average during the month of July; therefore, clearances are highly unsatisfactory.

While it is true that the spring wheat crop, as well as the Canadian crop, will be a very short one, we still figure that between these two countries we shall have from 300,000,000 bushels to 350,000,000 bushels to export on this year's yields alone, not figuring the carryovers, and unless we ship more than that we shall have a bad situation again next season. This is a long way to look ahead, but the successful sepculator is in the habit of doing that.

We believe that the very bad financial situation in Europe has a great deal to do with this light demand, as all the importing nations together will probably not receive more than 11,000,000 bushels this week and in normal times their requirements are easily 15,000,000 bushels. They certainly are not holding back with the low prices existing at the present time, but it simply seems to be the very bad conditions.

There were good rains in parts of Canada and our Northwest, and also the corn belt has more favorable weather. It is difficult to take a positive stand on corn. The crop will be a very large one without any doubt, the price is already so very low, and the farmer has better facilities for storing his corn than he has his wheat; then again much will depend on the whims of those who have paid for all the corn which was delivered on July contracts, and it will make some difference whether they merchandise it at a sacrifice, deliver it on September contracts, or hold it for a while.

There is little to say about oats and rye- same continue to be neglected.

Cotton prices again made new low records today.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sat August 1st, 1931.

There were no cables from abroad today to guide our market; the wheat market was largely influenced by the action of corn, that is, to say the old crop futures, as December corn varied but little. However, the advance in September corn was very rapid and had a sympathetic effect on wheat. Otherwise, the news was colorless, as it has been right along.

Kansas City stocks have increased very fast- so far 1,700,000 bushels this week- almost offsetting the decreases in Duluth and Minneapolis, where of course there is a good milling demand, and the spring wheat crop is not yet moving. Primary receipts are again lighter than last year- 3,452,000 bushels, compared with 4,055,000 bushels last year. Clearances were again unimportant; the only place which shipped any was Galveston, with 184,000 bushels, and last year clearances were quite considerable at 1,160,000 bushels.

The foreign demand, which finally must be the determining factor in making prices, is still very poor. We believe if the financial conditions abroad would change, this demand would greatly improve. Europe does not seem to be overburdened with offerings from other competing countries at the present time; they are becoming quite light from the Argentine, only reasonable from Australia, India is not a factor, but of course Russia still remains the unknown quantity.

At the present level it is not likely that fluctuations in wheat will be very important. As far as old crop futures of corn are concerned, it is to be taken into consideration that practically all the stock of corn in Chicago is owned by one or two parties, that the Chicago stocks constitute a very large amount of the total visible supply and that consequently, sales of September corn consist of short sales and not hedges. This might give us very erratic quotations, but finally, with corn so much higher than wheat there will be new receipts again, and in the meantime consumption will be curtailed as long as corn is selling so much above wheat. It also has to be considered that all other substitutes for corn are selling at very low prices. Furthermore, December corn is selling at over a 10¢ discount, and new crop prospects are quite favorable. We believe that if we should get more good rains we will soon have another movement of corn, and if the farmer should decide his corn prospect justify it, he may ship enough corn in September to satisfy all wants, and we might be surprised at how much corn there is available on a short crop.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 3rd, 1931.

There were no cables today, but it is our guess that the Liverpool market, if open, would have been reasonably firm; in fact, we do not expect any radical declines there- their prices being so low already. Furthermore, they are not over-burdened with wheat; world shipments being only 10,000,000 bushels, and in ordinary times Europe can easily take care of 12,000,000 bushels, and non-European countries 3,000,000 bushels. While we expect much heavier Australian and Argentine shipments than last year, this alone will not be enough weight on the market unless Russia should throw such quantities on Europe so that the picture would be changed. Being left independent of any news from abroad, we had to rely on our own statistics, which were perhaps somewhat bullish when compared with last year, but comparisons are odious when there is such a burdensome supply pressing on the market, even outside of the Farm Board holdings.

The export demand is still very limited and domestic demand alone cannot take care of our receipts. Primary receipts were again lighter than in 1930- being 4,962,000 bushels against 6,536,000 bushels last season. The visible supply increased only 6,330,000 bushels compared with 15,500,000 bushels last year; the total making a new record of over 212,000,000 bushels. The writer remembers the period when the visible supply was down to 1,000,000 bushels, and two or three times during the last ten or twelve years it was below 10,000,000 bushels. Clearances are quite heavy- totaling 1,550,000 bushels, of which Galveston shipped 1,470,000 bushels, and we think that part of these Galveston clearances were made up of old hard wheat which was sold by the Farm Board, as we had been advised right along that a number of cargoes would have to be loaded during the month of July and probably did not clear until the first day of August.

Fluctuations are very light, and believe they will continue so, but in spite of the low prices on account of the extraordinary conditions, we look for a further gradual sagging.

Quite a number of elevator people are hedging their wheat in May, in consequence of which May wheat does not represent anywhere near the full carrying charge over December, being only 5¢ over, and the wheat would have to be carried for five months. The difference between September and December wheat is 4 1/4¢ for three months; therefore, we look for a much wider carrying charge from December to May, and recommend the sale of December wheat against the purchase of May wheat.

Crop experts came out today with estimates on both wheat and corn; they did not differ very much from what was expected, but it is very plain that this country has an exportable surplus of over 200,000,000 bushels of wheat on this year's crop, and a very large sized-corn crop. Therefore, we shall have to wait for another crop of wheat, with probably reduced acreages and poorer quantity per acre, before the farmers' situation will be materially relieved.

There were very generous rains over the corn belt- at least, three-quarters of the territory having been favored. In spite of this, December corn declined only very little, showing that the price has discounted a large crop. September corn was comparatively weak, and this in spite of the very light receipts. Inasmuch as all the old corn in Chicago is practically owned by one or two parties, it is difficult to make predictions, but we do not believe that September corn at the end of September will show as big a difference over December as it does now.

Oats and rye remained neglected.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 4th, 1931.

Liverpool wheat cables after a number of holidays were certainly a surprise this morning. World shipments had been way below requirements; prices at the close of their last session were practically the lowest ever recorded, and yet this morning they reported another very weak market, with declines of ower more than 1¢ per bushel. The reason given was that Danubian wheat is offered as low as 50¢ per bushel at Liverpool, and that Germany has again raised the quota of home-grown wheat which must be used for flour- thereby further curtailing importations.

No living person has ever seen such low prices on wheat as are existing now, and the quotations today are not indicating fully how cheap wheat is, because while it sold almost as low in 1894, freight rates were very much less than they are now; consequently, the amounts paid to the farmer are quite without precedent in every respect. Nevertheless, there is no buying power, and it is difficult to bring up suitable arguments why this present depressed wheat situation should change.

We now estimate the U. S. wheat crop at about 875,000,000 bus., and that of Canada at 245,000,000 bus, including the eastern part; total 1,120,000,000 bushels.

The consumption of the U.S., which normally is 650,000,000 bus. we estimate at -----------675,000,000 bu.
on account of extra feeding.
Canadian consumption at the outside ------- 125,000,000 "

Total------------------------------------- 800,000,000 "
Leaving for export on this season's yields- 320,000,000 "

Last year North America exported 368,000,000 bushels. In July we exported 27,800,000 compared with 40,614,000 bushels last year, falling behind almost 13,000,000 bushels. In August last year we exported also about 40,000,000 bushels and shall probably fall behind again.

So with the reduced demand abroad, it does not look as if we would cut very deeply into our last year's carryover, which we estimate at 325,000,000 bushels for United States.

If it were not for the very large carryover some bullish features could be picked out. In spite of a winter wheat crop of about 130,000,000 bushels larger than last year, receipts are making very poor comparisons now with 1930; and we just want to mention a few striking points: Omaha received today 164 cars compared with 519, last season, Kansas City received 366 cars vs 414, and St. Louis 62 cars vs 472 last season.

If there were any demand at all the effect on the market would be electrical, but without such demand nobody pays any attention to it, knowing that the movement will last correspondingly longer.

Primary receipts are also smaller than in 1930- being 2,749,000 bus, compared with 3,889,000 bushels last year. Clearances for the day of American wheat were 375,000 bushels.

To show how indifferent speculation is at the present time, the whole trade in wheat yesterday was only about 10,000,000 bushels, compared with 57,000,000 bushels last year, and today there also will probably be a very bad showing.

Weather for corn continues to be favorable, but the price discounts a very large crop. September corn was more freely offered and looks too high compared with other cereals.

To show how oats and rye are neglected, wish to point out that the whole trade in oats yesterday was only a little over 1,000,000 bus., and in rye it declined to the insignificant figure of 239,000 bus.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 5th, 1931.

Liverpool wheat cables showed again great weakness, reaching new low levels. It is claimed that English prices are the lowest since the Sixteenth Century; in fact, ever since England is on a gold basis.

It would be wrong and malicious to put the entire responsibility for this depression on the Farm Board act, but there is no question in our mind that the act was largely a contributing factor. There were boasts made right thru 1930 that the Farm Board stabilized the price of wheat and held it up artificially; this led to great accumulations of wheat in this country, less competition abroad, enabling other countries to dispose of their wheat at higher prices than otherwise would have been the case. Consequently there was less discouragment to reduce acreages, and to this extent the adjustment which is bound to come has been delayed. However, other items also were very important in bringing about these low prices. It is now estimated that world's carryover on July 1st was 670,000,000 bushels. compared with 563,000,000 bushels the previous year. Inasmuch as this almost covers the amount of wheat which is required by importing nations, it is very plain that the load of wheat all during the year must be very heavy, as there was again raised a very large surplus everywhere. Furthermore, something which nobody could foresee-- the great debacle in Germany, which makes it almost impossible for that country to finance wheat importations, and adjacent countries, like Belgium and Holland, who depend so largely upon their export trade to Germany, using river navigation, are all very much depressed.

The situation abroad is so bad that we were advised today that Danubian wheat is selling at 42¢ at Rotterdam. Of course, that market permits very low grades of wheat on contract, but for any wheat to sell at such low prices after paying such heavy freights and expenses from the Danube, is indicative of general conditions.

To show how speculative business has fallen off-- yesterday's trade in all cereals in the Chicago market was only about 30,000,000 bushels compared with 120,000,000 bushels last year.

Primary receipts of wheat are heavier than last year, 3,739,000 bushels against 3,281,000 in 1930. However, the figures are a little misleading, as Chicago shows up very heavily and these are unloadings of previous days. General movement of wheat is light and pressure will continue so with these very low prices. Northwestern markets still show decreases in stocks- Minneapolis 225,000 bushels so far and Duluth 650,000 bushels. There is very little wheat being shipped out and cancellations are only 104,000 bushels.

It would be presumptuous to make positive guesses of what the wheat market will do now for a while. Everybody knows it cannot forever stay at the present low levels, but yet see nothing to change the situation much until January anyhow. This is a long time for the speculator to wait.

Corn worked lower for both the old and new crop futures. September corn is very sensitive, as there is practically no hedged corn, and the corn in elevators is all supposed to be owned by one party; however, it could not escape the general bearishness and the decline in December corn, which was influenced by favorable weather. Much cooler weather is predicted.

Oats and rye continue to decline, altho prices are so low already that hardly any farmer can ship it for the cost of raising.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Aug. 6, 1931.

Liverpool cables were extremely weak today. It hardly seemed possible that prices should go below those of the Elizabethan era, which level they reached yesterday. We certainly do not think that prices will recede to those which must have existed in the time of Pharaoh when Joseph started to corner wheat after seven years of plenty.

With October wheat selling at 54¢ at Liverpool, we think that foreign quotations should have nearly reached bottom. We certainly believe that the world will not for any length of time supply England with wheat at these low prices. We doubt if it nets the Argentine farmer more than 20¢ a bushel, if that much, as interior freights in Argentine are very heavy, and the consequences are already seen in very small shipments from there; this week they were 1,250,000 bushels compared with 1,330,000 bushels last year, and this in spite of the fact that supplies are very much greater. The same will happen in Australia at the present time, and the reason for this great weakness is the depressing offers first fromDanube, which cannot last very long, as that country is not a great producer. Then there were also abundant offerings fromRussia at lower prices; they appeared as heavy shippers for the first time on the new crop- clearing 3,000,000 bushels compared with none last year. Of course, nobody can tell just what Russia will do, but she alone cannot supply all the demand.

Our own wheat at Gulf Ports at about 45¢ a buehel would be practically in line with other wheats, but the total demand is so very poor, as Germany, France and Italy are buying hardly any at the present time, and England buys at its own leisure, and then there is nothing left but a few Scandinavian countries and Holland, etc. The Liverpool price today of 54¢ for October wheat would hardly permit Chicago whdat to find a place even at 40¢ a bushel. Therefore, a readjustment must come sooner or later. In the meantime our farmers are holding back and receipts at various primary markets were only 1573 cars, which amount is much lighter than heretofore. Duluth and Kansas City stocks still decrease, and the total decrease at these two markets is 1,264,000 bushels. Primary receipts show 2,557,000 bushels compared with 3,198,000 bushels last year. Galveston clearances were quite heavy, being 895,000 bus.

On account of the depression abroad and no buying power at all in our market, new low levels were again established, and September wheat sold at 47 5/8¢, shattering all previous records. As we view the situation as it is likely to be at the end of next year, there probably will be as much, or more, wheat in the United States than this season, but the difference will be that a great deal more will be in farmers' hands unless terminal market stocks are owned by the Farm Board. This would be a distinct advantage to prices as nothing hurts values as much as accumulation at terminal points.

As far as corn is concerned, fine weather continues and the weakness in December corn, and in all other cereals, had a depressing effect on the old corn. Also premiums on old corn were very much weaker. We doubt whether September corn will finally maintain itself at 10¢ over December.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Aug. 7, 1931.

Liverpool wheat cables were again weak today, and their prices are extremely depressed. When it is considered that their October future is selling at 54¢, and that it costs probably from 20 to 25¢ from most points of origin to ship wheat to Liverpool, it cannot be expected that England can buy her supplies at these levels for any length of time. We consider the purchase of their futures the most promising for a quick gain.

Our market was very strong today; we believe it was partially caused by a circular letter which we sent over our wires and to the trade as follows:

> "Taking a long look ahead, we feel that it is time to get off the short side of wheat at these levels. By this we do not mean that wheat will advance today or tomorrow, or perhaps next week or next month. Nobody can foretell the immediate swings. It was the long view which we had taken when we assumed a bearish attitude on the market, figuring that the increased acreages would make the bull side uncomfortable.
>
> Now we think a readjustment will come very fast. This year's winter wheat acreage is 42,000,000 acres. We think it more than likely that a reduction due to the present low prices might be 10 per cent, or 4,200,000 acres, leaving 37,800,000 acres. The average winter killing is about 10 per cent, or 3,800,000 acres, and reduces the standing acreage to about 34,000,000 acres. The average yield is about 15 bushels per acre, or 510,000,000 bushels compared with 744,000,000 bushels this year. Should there be any such prospects next year in February or March, traders would get very much excited at these low prices.
>
> We expect a decrease in the acreage of 15 per cent in the Argentine and of 30 percent in Australia. There no doubt will be decreases in acreages all over, and should they amount to a uniform 10 per cent of the world's crop, we would probably have a decrese of 350,000,000 bushels of wheat compared with the period when the acreages were highest.
>
> We are also fully aware that probably our northwest will not have a repetition of this year's poor crop, but the acreage will be smaller, and Canada will probably have larger yields on reduced acreages. The price of 56 or 57¢ for May wheat may look very cheap next year, as it is not likely we shall go through another period of such great depression.
>
> Nothing is quite sure, as we do not know how long the business depression will last; but it is now so bad that the chances are there will be an improvement next year and the foreign situation ought to be pretty well cleared up by that time."

This letter was construed as extremely bullish, but this was not the intention. We just gave facts and tried to carry the point that it is not likely that next year wheat would sell as low as it is selling

ow, for the various reasons given, and that under the cir-
umstances May wheat at 56 or 57¢ would look very cheap. This
es not mean that wheat should be immediately purchased on bulges
th the expectation of getting a quick and good profit. Of course,
believe that the price at which September wheat closed last
ght was almost unreasonable, and barring unforeseen events
ould not sell lower than that in any case- or at least, not
ch. However, we thoroughly believe that for those who have
e patience to wait until we get our usual crop scares next
ason on reduced acreages that May wheat purchased now will show
profit, but patience might be required.

ws today was without much color; primary receipts were 2,750,000
shels compared with 3,437,000 bushels last year. Stocks at
inneapolis and Duluth continue to decrease. So far they have de-
reased 1,489,000 bushels. Clearances were light- only 91,000
shels fromGalveston. Bradstreets' clearances this week
148,000 bushels against 8,300,000 bushels last year; and the
tal up to the present time is 35,000,000 bushels vs 45,000,000
shels. We believe the bulk this week was shipped from the U.S.,
d thatCanada shipped only a small percentage.

rn and all other cereals sympathised with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Aug. 8, 1931.

Liverpool wheat cables were higher today following our sharp bulge of yesterday, but private cables intimated very heavy offerings at low prices from Russia and Roumania, but naturally these countries cannot fill all European wants; nevertheless, until they are out of the way it will be rather difficult to maintain bulges.

We gave a summary yesterday of what we thought would finally happen to wheat, as it will not forever stay at 50¢, but this was a more distant view. We intimated very plainly that much could happen between now and next spring when the probable reduction in acreage will be felt. One such thing has happened today. A Government report came out on cotton, estimating the cotton crop at 15 1/2 million bales. Apparently wheat and cotton have not much in common, but yet we believe the effect of this large cotton crop will be very far-reaching in many ways; first, it will decrease the buying power in the South still more, it will affect our trade balance, and last but not least, it will affect the finances of the Farm Board, and the more money that will be wanted for cotton, the less will be left for wheat. It is generally surmised that the Farm Board's holdings of cotton, including the Cooperatives holdings, which are guaranteed, are over 3,000,000 bales; the decline in cotton today amounted to $6.00 or $7.00 per bale, consequently, a loss to the farm board over night of $20,000,000.00, which is 4% of what Congress voted, or almost $1.00 per head for each family in the United States just on this one speculation over night. We feel that the Farm Board finally will be influenced in their operations just like any individual would; namely, when losses pile up continually they will sell out their holdings, and this in our opinion will happen to wheat.

There is a wonderful chance now for them to sell their spring wheat at 6 or 7¢ premium over Chicago at Minneapolis, and why should they not do so. For this reason, we do not feel friendly to the market at the present time.

Primary receipts of wheat today were 2,448,000 bushels compared with 3,047,000 bushels last year. Stocks at Duluth and Minneapolis continue to decrease, and the visible supply probably will not increase anywhere near as much as last year. There were registered for cancellation wheat receipts of 316,000 bushels, making room for new arrivals in Chicago. Clearances from Galveston were 608,000 bushels, but this is practically the only Port which is doing any business- they furnishing the cheapest wheat.

Corn was also influenced by wheat and cotton and very favorable weather. A report came out stating that 13% less cattle were on feed, and everybody asks himself the question- "If the crop comes thsu, what will be done with it?". This over abundance refers to oats and rye as well. There seems to be too much of everything at the present time.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

August 10, 1931

Liverpool cables were quite weak today, although they did not follow our full decline of Saturday. Inasmuch as Europe is not buying a great deal of wheat, and as Liverpool futures are considerably below ours, not the usual attention is being paid to their fluctuations.

The trade was still somewhat under the influence of the cotton break of Saturday and the favorable weather conditions for corn. However, wheat was at no time very weak, clearly showing that the price is so low that further breaks are being sharply resisted. Otherwise there was enough bearish news circulated to have brought about declines instead of advances.

There were private cables received from abroad dwelling chiefly upon Russian and Roumanian offers, and Russia has made charters so far for a great deal more grain than for the same ~~prx~~ period last year.

World's shipments were practically the same as in 1930, but the Danubian Provinces shipped considerably more, about 2,000,000 bushels; and North American shipments were that much less.

The increase in the visible supply was very substantial: 8,269,000 bushels compared with 10,307,000 bushels last year, and the total now is ~~22xx~~ 221,000,000 bushels, making a new high record.

The more favorable feature in the situation is the continued heavy buying of Pacific Coast wheats, as far ahead as November, by the Orient and with an anticipated short rice crop in China, this demand may continue.

The spring wheat markets were particularly strong, and Winnipeg, as well as Minneapolis, advanced much further than we did.

There are splendid opportunities now for the Farm Board to sell its spring wheat at enhanced premiums, and it will be hoped they will take advantage of it as there is no chance for them to sell any wheat for export.

Corn, which had declined so sharply Saturday, showed the same resistance as wheat, closing considerably higher. While no doubt the corn crop will be a very large one, it is an open question whether the present price has discounted it or not.

Rye and oats were comparatively neglected, but sympathized more or less with the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

August 11, 1931

Liverpool cables were about as due. Neither the news from abroad nor the government report over night had a decided effect upon our grain prices at the opening.

Liverpool December wheat closed about 59¢, or about 5 1/2¢ over ours. It was difficult for us to explain right along why these English markets should stay so far below a parity with ours, and we have now come to the conclusion that they must have been more influenced by the Russian situation than anything else. We had a number of cables today regarding Russian sales which, while not mentioning anything about the crops, throw some light on the pressure existing at the moment: One cable read, Russia is offering very freely; another one, Russia is filling wheat buyers daily, Hungary and Danube also free sellers; and a third cable mentioned that Russia had sold to the United Kingdom up to the present time about 6,500,000 bushels of wheat, and total charters of freight, which included all kinds of grain to all places, amount to about 75,000,000 bushels. Of course we are fully aware that Russia alone cannot fill all the world's wants. The Danubian states, including Hungary, are not heavy exporters; Argentine is holding back at the moment, and Australia has no large quantities left. Therefore, we expect a more or less neutral market for the time being, repeating again the extremely bearish conditions which exist have been largely discounted. On the other hand there is nothing to look forward to in the way of immediate bulges until the whole world's situation changes, and this can only come about thru reduction in acreages, which will not be felt until next year, or possible improvement in the financialconditions of Europe.

Primary receipts of wheat were light today: 1,723,000 bushels compared with 3,220,000 bushels last year. This has not the same sentimental effect it should have because everybody knows the wheat is there and the movement will last just that much longer. Our supplies are still enormous, commercial stocks being 242,000,000 bushels, and United - States wheat in Canada 26,000,000 bushels, or a total of 268,000,000 bushels compared with 176,000,000 bushels last year.

It must never be forgotten that we expect to have a wheat crop close to 900,000,000 bushels which, with a normal consumption, will give us an exportable surplus of 225,000,000 to 250,000,000 bushels, and it is not likely we shall ship that much this season; therefore, we shall go into the next crop with a bigger carryover than on July first.

The corn weather was considered favorable, and it was assummed that great improvement had taken place since the government figures had been compiled. The feeling, therefore, continues to be bearish.

Oats and rye followed the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

August 12, 1931

Liverpool cables were quite weak today, although they recovered somewhat from the lowest point. This weakness abroad had practically no effect upon our market, and wheat acted comparatively firm particularly in face of weakness at times in September corn and very unsettled markets in the Northwest. This is a situation such as we expected. At the present level of about 50¢ for wheat, only renewed pressure could bring about sharp declines, and on the other hand the burden already on the market is so great that some new stimulant would be required before we could expect any great bulges to be brought about or to be maintained. We know now about the size of the crops in the world; we know of the probable demand, and therefore there is no great surprise in store until after the turn of the year, and events then will decide the course of the market; and if speculation in the meantime anticipates improvement in business, or reduction in acreages, or poor prospects, the market will do the balance.

In the meantime primary receipts are very light, being only 1,869,000 bushels compared with 3,224,000 bushels last year! The effect of it is the firming up of premiums in all markets, particularly at the Gulf as Gulf wheat was about the only wheat which Europe could buy so far from the United States. This firming up of premiums ought to stimulate advances abroad.

Of last week's clearances, according to Broomhall, of 7,848,000 bushels the United States shipped only 2,206,000 bushels and Canada 5,248,000 bushels. This is very small for the States and very heavy for Canada.

The highest prices were obtained toward the end of the session, but unless Liverpool follows with greater strength, or with buying orders for cash wheat, we would not advise following any further bulges.

Corn receipts were somewhat better, but still very light compared with last year. The demand also remains poor, and the old crop future, which is at an artificial price, showed great weakness at times, although there was some recovery toward the close. On the other hand, the new crop future, which is selling at very attractive prices in spite of the good corn crop outlook, was very firm.

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FORT WORTH GRAIN AND COTTON EX.

August 13, 1931

The news before the opening of our session today was mostly bearish, but it had very little effect upon the market. The trade seems to be light; new hedging sales small, and the market is certainly in a very unsatisfactory position from the standpoint of fluctuations. It is difficult for those speculatively inclined to make any quick turns in either side.

Liverpool cables were rather weak, being influenced very largely by the Russian shipments of 4,500,000 bushels. If this is an indication of what will follow, it will be very depressing. It would be too bad if North America would permit its market to be again taken away by other countries. We all have clearly in mind how wheat was held back last season, and when the Farm Board finally made up its mind to sell 35,000,000 bushels, we had already reached practically the lowest prices on the crop, and in the meantime heavy carrying charges had to be paid.

Government figures show that we carried over this year 319,000,000 bushels of wheat in the United States to which has to be added 14,000,000 bushels of United States wheat that had to be shipped to Canada, making a total of 333,000,000 bushels. It becomes very clear how badly we need an export market. These stocks compare with other years as follows:

1926	99,000,000	bushels
1927	123,000,000	"
1928	128,000,000	"
1929	247,000,000	"
1930	275,000,000	"

In former years there was hardly any American wheat in Canada at the beginning of the year.

Broomhall had made an error yesterday of over 320,000,000 bushels wheat in his estimates on the amount of wheat raised in the Northern Hemisphere. This in our opinion is inexcusable because without figuring, just from the general tenor of the news, it was plain it must have been wrong.

We think the idea of having the cotton farmers plough up one-third of their crop is a very good one. It would help general business tremendously; it would increase immediately the sale of ploughs for the International Harvester Co., and this in turn would stimulate the iron and steel business, etc. This, of course, is on the assumption that the colored labor could easily count up to three and not forget any of the land to be ploughed up. This idea is much more practical than to have the Farm Board burn up their cotton, because the banks would not let them do so as the cotton is mortgaged. However, should this proposition not work, we think we have another one for both wheat and cotton, and that is to try to sell it for export now instead of waiting until later on when Europe will be supplied by other countries. We all know that in four and a half months Argentine and Australia, even if the crops are smaller, will again have wheat to sell, and North America alone is not strong enough to dictate prices.

The corn market was rather weak on the old crop future which we claimed right along was too high, but December corn was strong, as the price seems to discount already the big crop.

Oats and rye continue to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

August 14, 1931

Liverpool cables, before our session opened today, were a trifle better than due and improved more before the close; they were probably influenced by the recent wet weather in both France and Germany. Should this unfavorable weather continue in Central Europe, it would give comparative strength abroad, but the month of August there, as well as here, is usually one of the driest months in the year, therefore, a change to better weather is not unlikely.

Bradstreet's clearances of wheat and flour from all North - America make a deplorable showing:

This week	3,575,000 bushels
Last week	7,148,000 "
Last year	9,564,000 "

July 1st to date,	40,386,000 bushels
Year ago,	55,498,000 "

These light shipments from North America can easily be accounted for by the fact that European consumption seems to be at a minimum at the present time owing to the financial condition; and further, Russia is a very heavy seller and shipper just now.

The following comparisons during today's session will serve to show how much more of a disadvantage we are at this year in exporting wheat in spite of a larger crop than last year:

Liverpool October wheat, just a year ago, sold at 16 1/2¢ over our September wheat. This year it is selling at 6 5/8¢ over.

Last year Liverpool December wheat, on August 14th, sold at 12¢ over and this season 5 1/8¢ over.

Last year this date Liverpool October wheat sold at 12 1/4¢ over Winnipeg October. This year Liverpool October wheat is selling at 1/8¢ over.

Last year Liverpool December wheat sold at 11 5/8¢ over Winnipeg December, and this year it is selling at 1¢ over.

Canada gives its carryover this year as about 10,000,000 bushels larger than last year. Ever since the Pool operated, their carryovers have been increasing in poor crop years as well as in good crop years. It seems they have not yet learned their lesson that they must sell their wheat during the Fall before South America becomes a big factor as a competitor. We see no signs as yet that their selling policy has changed, and with their October wheat practically the same price as Liverpool October wheat, their chances are certainyl poor for merchandising.

Primary receipts of wheat are still verynlight, being 1,714,000 bushels compared with 2,857,000 bushels last year; but, as the demand is also not very urgent, and as everybody knows the longer the movement is delayed the longer it will last, not much attention is being paid to it.

As to the future course of prices, it is very plain that anybody who cannot buy Liverpool wheat should not buy any at all, as this is by far the cheapest market, and as long as both Canada and United States depend upon European markets for their outlet, we cannot advance much unless they advance much more.

Corn for the old crop future showed distinct weakness; receipts are increasing; premiums are declining, but there is a good deal of faith in December corn as the price has discounted a large crop. Oats and Rye continue to be neglected and fluctuations

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FORT WORTH GRAIN AND COTTON EX.

August 15, 1931

Cables today were somewhat lower, not quite as much as the specialists had figured they were due.

Our market was extremely quiet until a report came out that Stalin had made a long speech intimating that Russia, which has been on bread rations for a number of years, will in future be permitted to buy in a free open market, which naturally will increase consumption considerably and reduce the exportable surplus. The effect was somewhat modified because it seems these promises will not be realized until after the turn of the year; but nevertheless, if in the meantime the government will withhold a large amount of wheat from the export market the effect should be immediate on Liverpool.

Everybody knows, however, how policies in Russia are changed frequently; how all guesses are difficult as regards production and consumption; and further observation will be needed to come to more positive conclusions.

The advance which was caused through this report did not last, as it is generally surmised that the farm board agencies were very heavy sellers.

The news otherwise was rather indifferent. There were no clearances from Atlantic or Gulf ports, and this is the second day without European shipments from those points. Primary receipts were again lighter than last year, but receipts at Kansas City were quite heavy and premiums there seem on the decline.

Corn was weak again for the old crop futures, and premiums are also declining. The new crop futures have quite a good many friends.

All the other cereals followed the chief sister.

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FORT WORTH GRAIN AND COTTON EX.

August 17, 1931

Cables were quite strong this morning before our session opened, probably influenced by the prospective Russian abolition of bread cards, which would increase their consumption and decrease their exports. However, the strength did not hold very long and the close was only a trifle higher than Saturday.

Our market acted weak practically from the beginning to the end, which can easily be accounted for by the small North American shipments so far on this crop, as follows:

1931	40,091,000	bushels
1930	59,138,000	"
1929	51,670,000	"
1928	69,412,000	"
1927	41,091,000	"
1926	63,720,000	"

Inasmuch as we carried over so much wheat and raised good crops again, there is bound to be a pressure on the market until export business revives. This is not in sight as long as Canada, although an anxious seller, always figures she can do better next day, next week, or next month.

The United States prices also are above an export level, and for three days we have been without any clearances from Atlantic or Gulf ports, although there is a steady demand on the Pacific coast which may last for months. However, this alone is not sufficient.

World shipments were again lighter this week, being 12,500,000 bushels compared with over 14,000,000 last season. Our visible supply increased only 3,000,000 bushels compared with 8,263,000 last year; but the total is still 49,000,000 bushels more than in 1930; and in our opinion there is also from 20 to 25 million bushels more United States wheat in Canadian ports which does not show up in the visible and which is available for export at any time demand arises. Primary receipts were lighter than last season, 3,447,000 bushels compared with 4,967,000.

With this steady accumulation going on and the poor outlet, there are only two factors which in our opinion would reverse the downward trend in wheat at present. One of them is a positive conviction of acreages being reduced all over the world, particularly in the United States; and the other a frank admission on the part of those in authority of what everybody already knows: that the farm board act is a failure, and that the operations under this act will not be continued. This would bring about tremendous speculation in wheat and cotton, and as most speculators are bulls, of course these commodities would receive the benefit of it. However, as long as the wet blanket of the farm board act remains over the market, we believe the longs will adopt as their motto "Grin and bear it", while the shorts, who have more cause for optimism, will apparently say "Bear it and grin".

Corn receipts, while light, seem abundant for present requirements; and with good crop prospects for the near future the market is sagging. Oats and rye also declined in sympathy with the other cereals.

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FORT WORTH GRAIN AND COTTON EX.

August 18, 1931

Cables were very weak today and about 3/4¢ lower on Liverpool futures. With this we really could conclude our market letter because everything that follows might be interesting news or gossip, but is insignificant in importance compared with the European situation as expressed in the prices of their futures.

Atlantic and Gulf clearances from all ports were only 101,000 bushels whereas they should have been ten times as much. According to Broomhall, United States exported last week only 1,898,000 bushels of wheat and flour, even less than Canada which exported only 2,530,000 bushels. Just fancy all of North-America shipping about the same as Russia.

United States wheat in store at Canadian markets now amounts to about 30,000,000 bushels, compared with less than 4,000,000 bushels last year. Commercial supplies of wheat in United States are now 249,000,000 bushels, and adding to this the supplies of wheat in Canada makes a total of 279,000,000 bushels. This compares with 188,000,000 bushels last year.

Primary receipts of wheat were light again today, 1,773,000 bushels vs. 2,875,000 bushels last year.

There is a great deal of hope that the Farm Board will sell a large quantity of wheat to China on credit. This certainly would be a good proposition, but a little difficult to solve because with the depression existing now everywhere, the financial side spoils a great many good trades. Wheat is cheap and it doesn't take such a large capital. The Farm Board is anxious to sell it; China needs the wheat and is anxious to buy it. However, according to the latest Washington report the Farm Board this month has already spent $31,412,000, making a total of $60,312,000 since the first of July. We believe this will leave them only $40,000,000 out of the last appropriation made available as of July 1st of $100,000,000. A great deal of this last expenditure was needed to assist the cotton co-operatives with margins on their holdings, and with the decline in cotton more might be needed. The Farm Board is hardly in a financial position to make large loans to overseas countries. Congress is not in session at the present time to vote more money; yet it is hoped that some way will be discovered to finance the transaction.

The cotton growers refused to plough up one-third of their acreages. Murray estimates that the wheat farmers all over the country will plant one-sixth less than last season. In other words, every sixth wheat farmer will go out of business. Our reports don't indicate any such decrease in acreages. When we pointed out recently that we expect a change in the wheat situation through reduced acreages, we expressed the hope that 10% reduction might take place and ever since have been afraid we might be accused of having given out an exaggerated statement. There will be comparatively moderate reductions in the southwest, we believe; but a good deal in the eastern states where land is still very high and where more diversification can take place.

Towards the close traders became discouraged and wheat turned very weak, showing a moderate decline for the day.

Corn weather was construed as extremely favorable depressing prices and rye and oats sympathized with it.

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FORT WORTH GRAIN AND COTTON EX.

August 19, 1931

Liverpool cables were reasonably higher today, and we presume that the continued unsettled weather in France and Germany has some effect.

Broomhall came out with a very fair statement of this year's world production and world consumption, and it seems that they are very evenly balanced. Were it not for the enormous carryover in the United States and the Farm Board's holdings of 200 to 240,000,000 bushels as well as the Canadian carryover of 140,000,000 bushels, or more than a year's home consumption, everything would be all right; but, these old stocks are pressing on the market and make it almost impossible to lift prices at the present time. Bradstreet's visible supply statement shows these facts clearer than anything else:

Stocks in the same week were -

1925	83,817,000 bushels
1926	135,531,000
1927	150,152,000
1928	185,259,000
1929	322,219,000
1930	331,379,000
1931	412,935,000

Deducting the growth in these wheat stocks in United States and Canada, everything would be normal and wheat might sell now anywhere from 75¢ to $1.00 per bushel.

Yesterday's clearances for Galveston were reported erroneously; they were corrected today, and the total clearances for the two days was 1,222,000 bushels from Atlantic and Gulf ports.

Primary receipts continue to be light, being today 1,789,000 bushels compared with 2,385,000 bushels last year.

Minneapolis, Duluth and Kansas City stocks so far this week increased 2,547,000 bushels, indicating a fair increase in the visible supply for Monday.

There is no further information on possible sales of wheat to China.

Liquidation was on in corn, especially September, and all deliveries sold at new lows for the season with the neaby future depressed the most. Receipts now seem to be sufficient for immediate requirements and the large holdings which were paid for in July seem not to have found a resting place as yet.

September oats sold at new lows since 1899, and rye was dull and somewhat easier with wheat.

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FORT WORTH GRAIN AND COTTON EX.

August 20, 1931

Liverpool cables were higher this morning before our session opened, and they improved a trifle more before the close. Foreign markets showed reasonable strength, influenced partly by bad weather and also by the light purchases from North America. They seem to receive about a sufficient quantity of wheat for their requirements but not so much that there is any particular pressure, and we believe that from now on we shall gradually come nearer in line for export. This of course is very badly needed, because exports from North America are extraordinarily light.

At the end of February the farm board made a statement that they would make efforts to export 35,000,000 bushels of wheat before the new crop began to move. From statistics we collected during the months of March to June, the total exports of American wheat and flour by all exporters were only 27,421,000 bushels; therefore the quota of the farm board must have fallen considerably behind.

Since the first of July, when the farm board again expected to sell 5,000,000 bushels of wheat a month for export from its stocks, the total exports to date have been only about 19 million bushels of wheat and flour, and this includes a great deal of wheat handled by the regular exporters. In fact, it would be our guess that they have sold very much more than has the farm board.

Primary receipts continue light, being 1,615,000 bushels compared with 2,494,000 last year. If these primary receipts were divided up between hard wheat and spring wheat, it would be found that the movement is quite normal in the southwest but in the spring wheat territory extraordinarily light, and the effects of the short crop there are beginning to be felt.

Prospective sales of wheat to China on credit seem to have simmered down to the trifling amount of 15,000,000 bushels, provided proper terms can be reached; and of course this quantity would not be a very striking factor in our markets, because China would buy some wheat whether the deal went through or not.

Black Sea shipments this week are again 2,000,000 bushels more than last year: namely, 4,616,000 bushels against 2,576,000 in 1930. Of course every extra bushel which is being shipped from Russia will be practically at the expense of North America.

There is no particular pressure on the market at present; and while fluctuations were only small today the tendency may be called firmer. However, we see no change in the situation, no new features to boost prices considerably, nor any great pressure to depress them a great deal.

Corn was strong as well as weak at times, and the final fluctuations not very important. Primary receipts are picking up somewhat, and while sales had increased on the sharp decline of yesterday, the stocks are still very burdensome.

Rye and oats continue neglected.

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FORT WORTH GRAIN AND COTTON EX.

August 21, 1931

Liverpool cables were quite strong before our session opened and for a little while longer, but at the end lost practically all the advance.

Our own reports from abroad state that Argentine has become a more anxious seller again and that the demand is dropping off. However, there has been some wheat worked over night with France, which country seems to be under the influence of bad weather just now, and Broomhall also believe that the carryover from last season is extremely small and their requirements will be more than anticipated.

However, our clearances so far on this crop are extremely disappointing. Bradstreet reports this week's shipments of wheat and flour from all North America as only 4,675,000 bushels, less than half of last year, and the total on this crop so far is over 20,000,000 bushels less than in 1930. It now looks as though the clearances for the first two months would not be more than 50,000,000 bushels, or at the rate of 300,000,000 bushels for the year. As a general rule the proportion of exports during July and August is greater than the average for the whole year, and if this is the case we do not see how the high figure of 400,000,000 bushels, which is Broomhall's estimate of America's contribution to the world's importing nations. Anbody who is smart enough to guess the amount of clearances for the next three or four months can guess the market. If clearances remain light, there will be too much pressure on the market to maintain even the present low level. Should there be any encouragement in the way of shipments, our prices would look very low particularly with the holding tendency on part of farmers. Later on, of course, the size of the acreage, or rather the amount of reduction, and the crop prospects will be the important factors in shaping values. In this connection we received a very interesting letter today from which we quote in part as follows:

> "Jule G. Smith, of Fort Worth, Texas, a well posted and successful grain man, writes us about as follows: 'I have just read in your market letter of August 18th that Murray estimates that the wheat farmers all over the country will plant one-sixth less acreage than last season, and that you had expressed the opinion the winter wheat acreage might possibly be reduced ten per cent. I think both you and Mr. Murray are extravagant in your estimates of acreage reduction. I do not bebieve the acreage reduction in the southwest will exceed 5 or 6 per cent, and I made several inquiries regarding the same on route.'"

Mr. Smith then gives various reasons why the reduction will not be so large as estimated. However, he believes that east of the Mississippi River, where land values are very high and diversified, crop production can be engaged in more profitably, being nearer the centers of dense population and heavy consumption, those states such as Indiana, Illinois, Ohio, etc., the decrease in wheat acreage should be considerable.

Primary receipts of wheat were very light again today compared with last year, being 1,686,000 bushels vs 2,017,000 in 1930. Receipts in the southwest keep up pretty well, while extremely xxghxxx light in the northwest, and this will continue during the year on account of the short crop. Stocks at Duluth, Kansas-City and Minneapolis so far this week increased 2,422,000 bushels, yet we do not expect that the increase in the visible will be anything like last year, when it was close to 8,000,000 bushels. Clearances of American wheat continue light, being 238,000 bushels, all from Galveston.

Late in the session the market turned very dull and showed considerable weakness.

Mr. Campbell suggested that the government exchange its wheat for silver with China. The Brazilian government also wants to exchange coffee for wheat. We hope we do not go back to the way of trading as we did centuries ago and barter one commodity for another. A wit suggested that as time goes on the Farm Board will receive so many propositions for exchanging wheat for other articles that they might finally go into the mail order business.

Corn showed extreme weakness, particularly the old crop future. It seems as time goes on the longs are getting nervous for fear they might get deliveries, and as there is no demand to speak of for the old corn crop, they do not cherish this idea. The new crop futures in corn as well as oats and rye were more or less neglected.

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FORT WORTH GRAIN AND COTTON EX.

Sat. August 22, 1931

The farm board has exchanged 25,000,000 bushels of wheat with Brazil for coffee and is now negotiating to sell a large quantity of wheat to China on credit. Before the farm board was in existence wheat always sold for cash and there was never any trouble about it. There are no difficulties now about selling for cash wherever there are proper selling organizations and where the grain trade is permitted to handle the export business without government interference.

To show what has been accomplished in the way of selling wheat with the proper organizations: Australia, including New Zealand, with a population of less than 8,000,000 people, sold from January 1st to August 15th about 111,000,000 bushels. The United States exported during that period 62,000,000 bushels, including the 35,000,000 bushels of wheat which were sold at sacrifice prices.

Evidently there is something wrong. If we were asked what it is, we should say that the Australian wheat merchants, who had the experience of years and years, were permitted to sell their wheat without interference; whereas the American exporter was put out of business and the organization which was established to take his place and which has been at work for only a couple of years and therefore has neither the connections nor the experience, has not accomplished in the way of selling what would have been done by the older exporters.

As we understand it, the farm board was created primarily as a selling agency and not as a buying agency, to enable the farmer to get rid of his wheat to better advantage than through the facilities heretofore existing; and yet the total farm board sales, including the regular export selling of wheat as well as flour, since January 1st, amounted to 50,000,000 bushels less than those of Australia.

After the first excitement is over, this barter with Brazil will be a good one if it means a gradual winding up of the farm board holdings of wheat, so that the export trade will be returned to those to whom it belongs and who can handle it in a more satisfactory manner. It will save the government excessive storage charges, which is also a good thing.

As far as the price is concerned, it will have no effect on the market finally, as Brazil raises no wheat but usually imports it from the Argentine; and now we release that much Argentine wheat for the European markets at the expense of North America.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 24, 1931

Liverpool wheat cables were higher today, possibly not on wheat conditions, but on the supposition that there might be a tariff on wheat as well as on other commodities. It is very plain that any duty on wheat would raise the price in England corresponding to the duty. England which raises only about 40,000,000 bushels of wheat is a larger importer than any other country, importing between 220,000,000 bushels and 240,000,000 bushels of wheat, so in case of a duty, naturally same would have to be paid by the importer. Nobody can tell whether the government will finally resort to this measure or not, time alone can tell. However, statistics from the importers' point of view are, if anything, bullish. World shipments this week are only 14,000,000 bushels compared with almost 17,500,000 bushels last year; America's contribution was very poor again, a little less than half. Looking ahead, the non-European demand ought to continue pretty good all this year, as the rice crops in India are suffering and there is a continued demand for wheat to the Orient, owing to the floods in China.

However, for the present, this lack of demand from abroad shows in the continued increases in our visible supply, same this week being 7,379,000 bushels compared with 8,255,000 bushels last year, and the total now is 231,000,000 bushels against 182,000,000 bushels last year, and if it is considered that there are 30,000,000 bushels of United States wheat in Canadian ports, while there was hardly any last year, it shows very plainly that even the 25,000,000 bushels which are being shipped to Brazil will not reduce the load very much at present.

There was a very interesting article in Sunday's Chicago Herald written by James E. Stone. Our conclusions from this article are that he does not believe in stabilization, and by inference we conclude that he also does not think that the cooperatives have helped the farmer any because he does not deem it worth while mentioning them. He also mentions that the Farm Board will sell this year 60,000,000 bushels of wheat in addition to whatever they cansell to the governments, so no doubt their stocks will be reduced 85,000,000 bushels of wheat. This, to us, means the first sign of a gradual liquidation which is bound to come and almost an admission of total failure of the Farm Board's activities.

The trade drew very pessimistic views of the coffee and wheat barter. It is practically an admission that the government cannot sell its wheat for cash, that it has to accept very low prices and that it must accept onerous conditions. Under the circumstances, why should any speculator wish to buy wheat?

The situation looks a little more hopeful for the turn of the year, as we are getting more and more letters that land will not be as well cultivated as it was the past season, less fertilizer will be used, and of course there will be some reduction in acreages.

Corn also showed weakness, with some intermittent strength, but it seems that everybody wants to run away from possible deliveries in September.

Oats and rye reached new low records.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Aug. 25th, 1931.

Liverpool wheat cables today came about as expected and were no particular influence. There was also no further news, which would influence a trader who had opinions before one way or another. Primary receipts continue to be light- being 1,632,000 bushels compared with 2,533,000 bushels last year, showing there is no additional pressure on the market. Shipments were quite heavy- 1,229,000 bushels against 1,093,000 bushels last season. There were no clearances. Minneapolis, Duluth and Kansas City so far show a net decrease of 35,000, bushels.

The fact that in spite of these circumstances the wheat market declined must be attributed to the lack of short interest. There is certainly no inducement to be short any longer. One can never tell how low an article might sell, but the present price certainly ought to have discounted all the bearishness there is in the situation, but with an open interest of 100,000,000 bushels wheat, practically all hedged wheat, and with no short interest, it requires new buyers right along to take the place of those who get tired and sell out; one would imagine that these new buyers could be induced to come into the market, but of course as long as the Government acknowledges the fact that it cannot sell its wheat except in exchange for goods, etc., it discourages a great many of them.

The difference between Liverpool and Chicago is now the widest on the crop; not yet sufficient to do an active business, but it shows the proper tendency, and we still believe that at one time during this crop the difference will be wide enough so that normal business can take place again with England and the Continent.

Corn was very weak at one time, but it became known there were supporting orders in the market for September at 39 1/2; a little buying scared the shorts and the advance was rapid.

Oats and rye seem to have no friends and remain neglected, dull and weak.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Aug. 26, 1931.

Liverpool wheat cables were lower today, but not weak considering our break of yesterday. Sentiment in wheat here seemed to have changed overnight; a great many people must have felt like we did yesterday when we wrote in our market letter that there is certainly no inducement to be short any longer. and that while one can never tell how low an article might sell, the present price certainly ought to have discounted all the bearishness in the situation.

There is no new pressure on the market, except such as comes from the selling out by disgusted longs, and in a firm and advancing market this, of course, occurs only on a diminishing scale. Wheat itself is making no new pressure. Primary receipts were only 1,679,000 bushels compared with 2,470,000 bushels last year, and shipments were almost as large- being 1,488,000 bushels. Broomhall wires that the official Argentine acreage is 17,000,000 acres compared with 21.207,000 acres last season, or almost 20% less. Stocks in Kansas City, Duluth and Minneapolis show a net increase for the week of only 1,000 bushels, indicating that even tho the movement is now on in the Northwest there are hardly any increases. Seaboard clearances were light- 53,000 bushels. Australia which has been a big factor this year, shipping 154,000,000 bushels during the twelve months ending July 1931, undoubtedly will have a much smaller acreage. Broomhall estimates that while the French crop is larger than last year, including the carryover, there is less wheat in France this year than in 1930. Stocks of U. S. wheat in Canada have increased again to 32,000,000 bushels against 4,000,000 bushels last year, and of course such items prevent taking too bulish a view of the situation, even tho slight changes upward may occur. Then there is the estimate of the Agricultural Department, making this year's world carryover in excess of 659,000,000 bushels; this, with perhaps 100,000,000 bushels from Russia, would give enough wheat for all importing nations requirements; therefore, there will be a carryover in the world again next July equal to the amount of surplus raised in all of North America, Argentine, Australia and sundry countries.

The movement in Canada is very light yet- being about one-third of last year, showing that the short crop which was raised there is commencing to show its results. However, big or small, Canada must offer some of its wheat before long to Europe in increasing quantities.

The official United States exports for July are 17,253,000 bushels; however, these figures include wheat which was shipped to Canada. The American wheat stocks in Canada increased during the month about 7,000,000 bushels, so the actual wheat which was really cleared for Europe and non-European ports probably is only 10 to 12,000,000 bushels.

Corn was independently strong; oats and rye seemed to have come to life- everything closing much higher. We believe all the coarse grains are low enough and can be purchased on any recession.

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FORT WORTH GRAIN AND COTTON EX.

Aug. 27, 1931.

Liverpool wheat cables were weak and undoubtedly influenced by the very heavy Russian shipments- amounting to 5,800,000 bushels, and with the Black Sea shipments, the total amounts to over 6,000,000 bushels. The total Russian shipments since July 1st amount to 19,384,000 bushels compared with 7,056,000 bushels last year. It seems that of the chief exporting countries so far Argentine, Australia and Russia shipped considerably more than last year, sundry countries about the same, India hardly anything against almost 4,000,000 bushels last year, but North America shipped 25,000,000 bushels less. We believe the main difference will come fromCanada. It seems they purposely have overlooked selling their large holdings and seem determined to hold their wheat over into another crop, which in all likelihood will be larger than this year's crop failure. We have come to this conclusion, because we understand that the management of the Pool's holdings were turned over to one party who feels bullishly inclined, and not only is he disposing of the wheat very slowly, but it is reported that from time to time is buying more wheat for the Government-- as if 140,000,000 bushels for a small country like Canada would not be enough.

Do not believe anybody cares much how this Canadian wheat is handled, except everybody would like to see more normal conditions; of course, they cannot be realized with such management. Not only that the Canadian Government pays 5¢ per bushel to the farmer, but buying wheat in the pits besides and holding wheat from one year to another always adding to the carryover, is bound to prevent such large decreases in acreages as should take place.

Our market naturally was influenced by the weakness from abroad. Otherwise the statistical news was not very interesting. Stocks at Minneapolis, Duluth and Kansas City increased so far for the week 243,000, bushels; therefore, not very burdensome. Primary receipts were 1,842,000 bushels compared with 2,193,000 bushels last year. In analyzing the primary receipts we find that the Southwest has still more than last year, but the Northwest naturally considerably less. There were no clearances of American wheat.

The one market in this country which did not respond to the general weakness was Minneapolis, particularly the September wheat. The situation there is also peculiar, as the Farm Board holds all the old spring wheat and receipts for the present are light. However, inasmuch as the total short interest is not more than 3,000,000 bu. or so, we hardly think there will be a squeeze and enough wheat will come into the market to relieve the shorts.

Corn was weaker and it needs a stimulant right along to hold up the present price level, as the demand is very poor. The open interest in September corn has now been reduced to 10,000,000 bushels; therefore, we do not look for a squeeze in this future.

Rye and oats held comparatively firm, having been purchased by speculators from time to time on account of the low level of prices.

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FORT WORTH GRAIN AND COTTON EX.

Aug. 28th, 1931.

Liverpool market fluctuated but little and closed a trifle higher, and was no factor with us here. The fluctuations in corn really led the wheat market, and while corn was strong wheat advanced with it to some extent sympathetically, but at no time did it show any great strength. This is easy to understand, as statistics were again extremely bearish; chief among them being the very small clearances, as reported by Bradstreets- being 3,500,000 bushels of wheat from all North America, including flour, compared with 10,300,000 bushels last year, and so far for two months North America has exported 27,000,000 bushels less than last season. Considering that Russia alone, which has only been a factor since last year, shipped 6,000,000 bushels of wheat this week, it just shows what the exporting countries have to contend with at the present time.

From the known quantities shipped this week it looks as if world shipments would be about 13,500,000 bushels compared with about 16,000,000 bushels last season- thus showing that importing countries are buying less than last year in spite of the low prices and in spite of the fact that the Orient is suppose to take more.

Primary receipts of wheat still light- 1,783,000 bushels compared with 2,335,000 bushels last year. The difference occurs again on account of the light movement in the Northwest; the movement in the Southwest keeps good. Stocks in Minneapolis, Duluth and Kansas City so far increased 404,000 bushels this week. There were no clearances whatsoever of American wheat from either Atlantic or Gulf ports.

As we have pointed out before, in our opinion, there is no hope for wheat prices to go up much less the incentive comes from abroad, and we see no signs of this yet. This, of course, applies only for the next four or five months, after which time the reduction in acreage and the crop prospects will be the leading factors.

The Canadian wheat situation is also a great danger for any bull market. The mis-management of the Pool up there is more responsible than anything else for the disaster which has befallen the farmer all over the world; and now again with these light clearances, of which probably Canada shipped only about 2,000,000 bushels this week, shows that the same holding tendency exists; they again let Russia take the market away from them, probably waiting until next Spring when Argentine and Australia will do the same thing. Not until these Canadian stocks are largely reduced is there much hope for a bull market.

December and May corn purchases, in our opinion, offer good opportunities with the minimum amount of loss. We figure that it is ot likely that the present corn crop will exceed 2,800,000,000 bus.-- quantity which we have absorbed in normal years. In addition the arryover will be very small; furthermore, it is estimated that he pig production this year will be increased about 18%, and it s not likely that where the farmer has such a good outlet for his orn that he will sell it very freely. The present price would net he farmer in Nebraska or Kansas perhaps less than 25 to 30¢ a ushel, and he has facilities for storing corn where he has none for heat.

he same reasoning applies to oats and rye, which for a long pull ould be considered as price-worthy.

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FORT WORTH GRAIN AND COTTON EX.

August 29, 1931.

Liverpool wheat cables were weak and lower again today. The trade naturally reasoned that as long as there is no buying incentive for Europe, wheat in spite of the low prices must decline further. We have claimed right from the beginning of the crop, and have never changed our mind, that at one time or another our large exportable surplus must come down to an export basis; we think we are easily 5¢ out of line yet.

News otherwise was very uninteresting; primary receipts 1,741,000 bushels- a trifle larger than last week, but no comparison can be made with last year when there was a holiday.

There was no attention paid to the Government's estimate of 12% reduction in acreages; it is too early to tell anything about it, as in previous years sometimes the actual results were way out of line with the estimates at this period of the year.

Canadian estimates, if anything, are being raised, and would not be surprised now if the Western Provinces would raise 240 to 250,000,000 bushels, which would make it a pretty difficult task for Canada to dispose of its wheat in competition with the other countries.

September wheat was comparatively strong; it seems the shorts are more anxious to change over to December, than the longs are afraid of deliveries, but nobody can tell yet what deliveries will be; if there is much delivered we do not think many speculators will want to carry it at a much bigger difference than it can be changed over.

Fluctuations in corn were extremely light, and we still believe that December corn at the present time is price-worthy.

This also refers to rye and oats.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

August 31st, 1931.

Liverpool wheat cables were decidedly weak again, which in all probability led to only very small business from this side with England and the Continentl The wheat situation here looks almost hopeless, because the most rampant bears predicted that wheat would go down to 50¢ and possibly to 45¢ with extreme depression ; these prices have been reached now, and yet there seems to be no buying power. It is always well not to lose one's head when times are desperate, and therefore, it behooves us to take a long outlook.

Wheat is selling now all over the world at prices much below cost of production; this happens sometimes also in other manufactured articles, and therefore there may be no immediate hope for the old wheat stocks. On the other hand, every cent decline leads to larger reduction in acreages, and it does not take much brains to know that wheat will not always stay at this level and at one time or another it will sell much higher, butof course the question is, "When?". We had in mind right along that the period would come after the turn of the year, when in all likelihood we shall have some crop scares again, reduction in acreages, lack of fertilizer, and some renters will have to give up because their share of profit would not be enough for a living, etc. So in due course of time a correction in the situation will come about. Then again we figure there is bound to be a limit to how low wheat can sell, because after deducting freights the farmer will net so little that naturally he will stop selling. Consequently, while wheat might decline another few cents, it would be foolhardy to sell it short, and those who are willing to take a risk can buy wheat, and while their patience may be tested, the chances are they will realize a profit, altho we repeat again they might have to wait until the turn of the year.

Statistical news was almost ignored. Primary receipts were 2,763,000 bushels, which is pretty fair; no comparison can be made with last year when there was a holiday. World shipments at a little over 16,000,000 bushels were practically the same as last year, and the American contributions were somewhat greater than Bradstreets' clearances indicated, but yet only a little more than half of last season.

Corn held comparatively strong, particularly when the weakness in wheat is considered; however, the early bulge could not hold. We believe there will be fair deliveries in September corn with no urgent demand for same. We believe September corn will decline further. December corn has a great deal of merit, as we hardly think the farmer will be a free seller at the present level of price.

Oats and rye continued to be neglected.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sept. 1st, 1931.

Liverpool wheat cables were lower again today, altho they recovered a little before the close. We are still not in line for any export business on our regular grades; therefore, the smaller fluctuations in foreign markets are not considered as very important. The surprising news today was small deliveries of all kinds of grain here in Chicago, with elevators all filled to the roof and stocks the largest in history. It was particularly interesting that only 25,000 bushels of wheat were delivered early and only 25,000 bushels at the noon delivery, which in fact may have been a duplication. The reason for the small deliveries is partly the fact that the Farm Board owns the bulk of the wheat, but yet ordinarily the elevators here would have delivered some in view of the small carrying charge, which is not very remunerative. The explanation lies in the fact that the elevator business is concentrated in very few hands, receipts are very light, and if any wheat would be shipped out from here it could not be easily replaced and therefore nobody is willing to take the chance, and each one would like to have the other party make delivery. Under the circumstances, we have a somewhat unnatural condition as far as the September wheat is concerned, which kept very strong during the whole session. There were some deliveries in Minneapolis in spite of the fact that cash wheat is bringing good premiums; there were very heavy deliveries at Kansas City, amounting to almost 6,000,000 bushels.

Stocks at Minneapolis, Kansas City and Duluth increased 467,000 bushels; clearances were again very light amounting to only 174,000 bushels; primary receipts were very insignificant for the time of the year- being 1,483,000 bushels compared with 7,725,000 bushels last year, but last year Monday had been a holiday, so it really included receipts for three days. For the week Broomhall divides exports of 5,696,000 bushels of wheat, as 1,714,000 bus. coming from the United States and 3,982,000 bushels fromCanada; this gives very fair shipments from Canada but very light from the United States.

As far as the market is concerned, we have not yet changed our opinion. We expect small fluctuations for the present; there is no incentive to buy and the weight is too heavy for much of an advance. However, taking a look into the future, many constructive factors are taking place. The cause of the depression of wheat prices was the continued accumulation of stocks during the last five year, but even at that the average increase from year to year was not more than 100,000,000 bushels; consequently, this is all the overproduction which exists from yields on 6 or 7,000,000 acres. Now the Government estimates that the hard winter wheat acreages alone will be reduced 5,000,000 acres, there undoubtedly will be a reduction in the Spring wheat acreages, the reduction in Canadian acreage is estimated at 4,000,000 acres; there will be a good decrease in Australia and in sundry countries. It is not likely that the importing countries, which are protected by high tariffs, will decrease their acreages any. However, what we have enumerated already ought to be sufficient to change the whole situation in 1932.

September corn was very strong at the opening, influenced by the fact that there were no deliveries, but we still believe that there will be fair deliveries during the month. The short interest in September corn has been reduced to 7,500,000 bushels, which is certainly a small enough quantity, so that nobody will attempt to squeeze it when there are about 6,000,000 bushels of corn in Chicago elevators alone. December corn barely held steady.

Oats and rye were neglected with comparatively small fluctuations.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sept. 2nd, 1931.

Liverpool wheat cables were no important factor today; they opened a little higher and closed a little lower, total fluctuations being insignificant. However, a report cabled by Broomhall that American wheat is being offered at about 52 1/4¢ CIF English ports, created a very bearish sentiment. Such wheat would net about 46¢ at Sea ports or Montreal, and would figure back in Chicago about 35¢. While this price is still higher than the price of wheat obtained in exchange for Brazilian coffee, it makes it plain to the average trader how far out of line we are for regular export business from either Kansas City or Chicago; as we raised a large exportable supplus, the two markets, Liverpool and Chicago, have to meet at one period or another, freight rates and expenses considered.

While the trade is very hopeful that conditions such as exist now will not continue forever and will probably change with the turn of the year, so much money has been lost on the bull side of wheat that the average speculator will not have the patience to wait until the turn comes and is very careful in the meantime. This causes very slight speculation and any liquidation brings about sharp declines quickly.

Statistical news continues to be very uninteresting; farmers evidently are not selling very much wheat, as receipts are very light. Primary receipts were only 1,216,000 bushels- a little less than last year when they were 2,596,000 bushels. Clearances were also small, being 390,000 bushels of American wheat.

There will be holidays- Saturday as well as Monday, so the chances are trade will be very restricted for the balance of the week.

The cheap offerings of wheat from the Atlantic will make it very difficult for active export business from Canada. If their market was not quite as weak as ours, it is probably due to the continued support it receives on part of the representatives of the government; if this continues, naturally the result will be similar to what we experienced in the United States.

The private experts estimate the corn crop about 2,735,000,000 bushels, which ought not to be burdensome with the increased amount of feeding. Nevertheless, the corn market was lower in sympathy with wheat.

Oats and rye were also influenced by the same causes.

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

9-3-31

Liverpool wheat cables were weak today, altho not any more so than had been expected after our sharp decline of yesterday. Nevertheless, as long as foreign markets follow our declines and do not advance more than our bulges, the difference between Liverpool and Chicago remains unsatisfactory and does not permit of a heavy business. At one time or another such must take place if we are to be relieved of our very burdensome stocks. In spite of this fact, however, feeling in wheat is getting more friendly, but it is solely based on the low price and the hopes, or perhaps even on strong expectations that with much shorter acreages next year and possibly poorer crops, the situation might be different in 1932 than it is now.

The fact that general business does not improve and that stocks in Wall Street are continually declining, of course, is also deterrent in assuming new obligations on the bull side. However, just as we had to take a look ahead for six months or a year when we gradually came to the conviction that the world is over-producing, so we pay no attention to the smaller fluctuations, but must consider wheat purchases at the present time, about the asme as with other investments that may not deal in immediate profit, but have good prospects in the future.

As far as the short side is concerned, we certainly see nothing to be gained at this level of prices. Were this the first of March, and May wheat would be the same as it is now- about 53¢- any short would be scared, assuming the usual crop damage reports which always come whether they are true or not.

In the statistical news there is little to report. Primary receipts of wheat again very light, being about half as much as last year or 1,440,000 bushels against 2,807,000 bushels in 1930. It clearly shows that farmers are not selling at the present time. Demand, however, is also poor. Stocks at Minneapolis, Duluth and Kansas City so far increased 1,000,000 bushels, showing that in spite of small primary receipts we have not yet reached the point where there is any immediate relief.

December corn acted very well, and we still believe that when the time comes the farmers' movement will be exceedingly small; the farmer has use for his corn and in most cases he has facilities for storing it- it is the last thing he will sell. The present price nets him so little that he will be holding corn back even more so than he is holding his wheat.

Oats and rye undoubtedly will follow other cereals and not act independently.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 4th, 1931.

Liverpool wheat cables were just a trifle higher today, but not much attention is being paid to them, and there will not be unless they are more radical. Our market also had very small fluctuations, and we do not look for any either big up or down turns unless something new enters into the situation.

Wheat is not moving out fast enough from North America to give much immediate relief, but factors for the future are shaping themselves more favorably. There is no question now that Argentine and Australia are reducing their acreages, so next spring the competition from those quarters will certainly be less. Inasmuch as there are three holidays, including Sunday, the local trade evened up their engagements, and the close was reasonably firm.

Primary receipts of wheat exceedingly light again- about 1/2 of last year- being 1,261,000 bushels compared with 2,520,000 bushels. Shipments are also light- about half of last season. Clearances are only 48,000 bushels. Stocks at Duluth, Kansas City and Minneapolis so far increased 930,000 bushels this week. As far as is known shipments of wheat from Argentine, Australia, Russia, Black Sea and India this week are 9,379,000 bushels. Various countries shipped over 1,000,000 bushels last week and will probably do the same this week; so if North America shipped about 6,500,000 bushels there will be plenty for the requirements of importing nations.

Bradstreets' clearances so far since July 31st are 55,000,000 bushels compared with 84,000,000 bushels last year, or 29,000,000 bushels less. The way we are shipping now from North America is about at the rate of 300,000,000 bushels a year, and as Canada and the United States have raised on this year's crop a larger amount than that, we would not reduce our stocks.

Trade in corn was also exceedingly light; primary receipts being only 189,000 bushels at all terminal points. There is more corn being shipped out of Chicago, but nevertheless there will be plenty left for September delivery should the owners decide to dispose of their corn that way.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 8th, 1931.

During the three holidays in the United States, the Liverpool market advanced; the advance was about 1¢ per bushel before our session opened, but half of it was lost before their close. The Winnipeg market, which had been open on Saturday, showed hardly any change. In the meantime a wheat sale of 15,000,000 bushels had been made to China; this is probably a very good thing, as at least part of the wheat will go into districts where otherwise there would have been no purchasing power, and to that extent it brings about extra consumption. However, the whole deal is too small to have any important influence upon the market; it amounts to about $7,000,000.00, which is equal to about twelve hours expense of our Government. There is a rumor of another deal with Germany of about the same amount, and should it be consummated it would mean that the Government is selling that amount of wheat at the expense of private grain merchants. So far these Government sales have not brought about any advance in the market; in fact, wheat was lower today during the greater part of the session. What we need more than anything else is a regular normal export business- same as took place before the Farm Board Act became a law. At that time there were about 25 to 50 large exporters who offered wheat abroad daily to every imaginable country and it was not difficult to get rid of our surplus. Importing nations take as much wheat now as they took before, but it seems the United States does not get its share; for instance, while world shipments this week were 16,500,000 bushels, about 2,000,000 bushels more than last season, all of North America shipped only 6,000,000 bushels compared with 10,000,000 bushels last year.

There is no change in the amount on passage- being about 46,000,000 bushels. Primary receipts of wheat are 5,441,000 bushels compared with 2,848,000 bushels last year, but this year Saturday is included, whereas it was not a holiday the year before. The visible supply increased only 1,416,000 bushels compared with 3,583,000 bushels last year, but the total is still 55,000,000 bushels more than in 1930, not counting the 32,000,000 bushels of United States wheat in Canada.

The fact that the stock market was again very weak, and that cotton sold at new low records, was naturally also a depressing factor.

Corn receipts continue to be light. Weather for the growing crop was considered favorable, but in sympathy with all the other markets that cereal declined also.

Trade in oats and rye was small, the market chiefly affected by the other grains.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 9th, 1931.

Liverpool wheat cables were lower today, partly in sympathy with our decline of yesterday and partly on account of cheap offerings of old #2 hard wheat from Atlantic Ports on part of the Farm Board. These low prices make it very difficult for the regular exporters to dispose of any hard wheat from the Gulf, and presume these sales will be delayed until the Farm Board has sold its quota of 5,000,000 bushels per month, which amount they seem desirous to get rid of. We believe that Canada is also suffering from this new competition; their market was comparatively weak and we believe it will lose further ground right along until they also decide to meet world's prices. So far every exporting country has done its best to rectify the bad situation which existed except Canada; Argentine and Australia have started to reduce their acreages, and the United States is trying to make another deal now with Germany so that the Farm Board will gradually dispose of a good share of its holdings. We see no such efforts on part of the head, or the successor of the Canadian Pool. As far as we can gather their total clearances of wheat during the month of August were only 16,000,000 bushels. The Free Press estimates the yields of the three Western Provinces at 254,000,000 bushels, which would mean for all of Canada easily 275,000,000 bushels, and with a carryover of 140,000,000 bushels, about 415,000,000 bushels. This is a large amount of wheat for a country which consumes only about 110,000,000 bushels. The heavy movement there is only just commencing, farmers' deliveries were 4,818,000 bushels compared with 6,658,000 bushels last year; this may include perhaps one more day, but anyhow it is almost as much as they usually sell in one week.

Primary receipts of wheat were very light today - 1,408,000 bushels against 2,568,000 bushels last year. They are light not only in the Northwest, but also in the Southwest. Kansas City, Duluth and Minneapolis stocks so far show a decrease of 197,000 bushels, and it looks as if the big increases in the visible supply are about over. Clearances are only from one port- Galveston, 408,000 bushels against 454,000 bushels last season.

After an early weakness our wheat market recovered, but the great weakness in stocks and the general poor business and impoverishment of a great many speculators make buying power very poor; therefore, we do not look for any big upturn until something more sensational happens than is in sight now.

Corn was very weak influenced by the decline in the nearby futures, but recovered and showed reasonable firmness.

Rye was very strong and we consider it very cheap at present prices; receipts certainly will be small during the whole year and there will be no pressure on the market.

Oats remained neglected.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 10th, 1931.

Liverpool wheat cables came about as expected today; they were a little higher, but the fact that the Black Sea is shipping so heavily and that the English stocks are so very large at the present time, makes it rather difficult for foreign markets to have a sustained upward movement. Black Sea shipments amounted to 7,500,000 bushels- almost half the quantity which is required weekly by all the importing nations. This, of course, makes a poor market for the various other exporters, and all of North America shipped only 3,527,000 bushels, compared with 10,000,000 bushels last year, and the total so far is 35,000,000 bushels less than in 1930. That in spite of these rather discouraging statistics our market was quite strong at one time was due to very sharp bulges in wheat at Minneapolis- particularly in the September future. The fact itself is not very significant, because the trading in September wheat at Minneapolis is so light that a 10,000 bushel order changes the price sometimes 1/2¢ a bushel or more, but it clearly illustrates the extraordinarily small supplies in the Northwest, and very large territories in the spring wheat district will have to draw on the Southwest all the year around. This in turn makes a good outlet for choice wheat, and the premiums in the Southwest are quite strong.

There was a Canadian report issued after the close yesterday, estimating the crop for all of Canada 271,000,000 bushels; this with a carryover of 140,000,000 bushels gives Canada over 410,000,000 bushels, and without any support on part of the Pool or the Government it is a very large quantity to dispose of under the previously explained circumstances.

Farmers' deliveries today in Canada were 3,200,000 bushels; we expect heavy farmers sales in Winnipeg right along- consequently, a narrowing between that market and ours. Primary receipts of wheat extraordinarily light- only 1,066,000 bushels compared with 2,422,000 bushels last year; they are light both in the Southwest and the Northwest. In consequence of these light receipts now a number of terminal markets show decreases in stocks. Kansas City 442,000 bushels, Minneapolis 140,000 bushels and Duluth 238,000 bushels. There is some wheat being shipped out of Chicago right along, and there is no longer any fear of shortage of elevator room, in that there will be plenty in a short while. There were cancelled receipts today for 190,000 bushels of wheat and 330,000 bushels of corn. There were no wheat clearances, and the small outgo of our wheat is the most discouraging feature.

Corn showed a weak tendency even during those periods of the day when wheat was much higher. It seems that the biggest holder of corn is anxious to liquidate.

Rye kept firm and is finding new buyers right along. The change in sentiment is based chiefly on the light receipts.

Oats are still neglected, but held comparatively firm.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 11, 1931.

Liverpool wheat cables came about as expected, following our yesterday's advance. The feeling in the wheat market was strong right from the start; possibly the Government Report on spring wheat, giving the lowest yields ever since the recording system was introduced, had some effect. But there are many fundamental reasons why strength is easily created in wheat prices at the present time.

As we pointed out in our letter of over a month ago, August 7th, it is very plain that nothing can be gained any more on the short side of wheat. September wheat at that time was selling about 46 3/4. We did not then, nor do we now, look for a sustained upward movement, but all over the world everybody knows that wheat at the present price is cheap from the viewpoint that it cannot be produced at these prices and that it will not permanently stay at these low levels. Also there is no question of a doubt that factors are working for an improvement in the situation. The Farm Board is gradually getting rid of a good deal of wheat, and acreages will be reduced. It is too early to assume that the effect of all this will be felt immediately, because the burden is still very great, but at least prospects for the future are more favorable.

When oats commenced to advance, as well as corn and rye, wheat was easily influenced under these conditions. It was then reported later in the session that the Farm Board made a sale to Germany of 7,500,000 bushels, which added new buyers and sellers became very scarce.

There are still a great many items in the situation which should not be forgotten; for instance, Canadian marketings, in spite of the short crop, are very heavy- 3,191,000 bushels. Also Europe will be very slow to respond to our advances, as long as Russia is shipping heavily, but it is to be hoped that conditions may change at sometime. However, so far on this crop Russia exported about 19,000,000 bushels more than in 1930. The known weekly shipments this week from exporting countries lead us to believe that the importing nations will probably receive 15,000,000 bushels of wheat, which is about all they require, and North America contributed only about 3,500,000 bushels of this total. Therefore, there are no signs as yet that our stocks are being reduced very fast.

Cash premiums in every market remain very strong, which also has a sentimentally good effect. Kansas City, Duluth and Minneapolis stocks decreased 808,000 bushels. Wheat clearances are very light- only 80,000 bushels from New York. Primary receipts are again very light- only trifle more than half of last year- 1,233,000 bushels compared with 2,389,000 bushels last season.

Corn opened a trifle lower in spite of a bullish government report, but the weakness did not last very long, and the close showed a very fair advance.

Oats were independently strong during all the session; we consider them the cheapest cereal on the list. There never will be acumulation of oats in Chicago on this crop, and in the interior onsumers will have a hard time to get their supplies; farmers imply will not sell at these prices.

ye is in a similarly strong position; while the time for the heaviest movement is over, Chicago stocks are smaller than they were at the begining of the season.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 12th, 1931.

Liverpool wheat cables were a disappointment today- being about 1/2 higher, but this was a poor reflection considering our sharp bulge of yesterday after they had closed. This indifference abroad to our rallies can easily be explained as long as the exporting countries are competing so sharply amongst each other to supply the wants of the importing countries. The deal with Germany on part of the Farm Board, we consider a wise one. There have been sold about 47,500,000 bushels of wheat to Brazil, China and Germany, and if there are further sales made of 5,000,000 bushels per month, or 60,000,000 bushels a year, by the end of the year the farm board will have disposed of close to 110,000,000 bushels of wheat, and perhaps more if further deals can be made to foreign Governments. One more year like this and maybe the wheat trade may be conducted in a more normal way; if by this time acreages are largely reduced, and no doubt they will be, the farmer may look forward to much higher prices. Last year the Farm Board gave Canada a chance to supply all importing countries, and left the market practically alone; this year, as above mentioned, they very wisely are the first sellers in the market, and Canada will suffer correspondingly. We, therefore, believe that Canadian futures, as time goes on, will sell at considerably greater discounts than they are now, compared with ours.

The market was very weak today; there are simply not enough buyers to follow advances until something more sensational happens, and this is not in sight as yet.

Statistical news was rather indifferent; primary receipts continue to be light- being 1,430,000 bushels compared with 2,367,000 bushels last year. There were no clearances at all. Kansas City, Minneapolis and Duluth, stocks decreased 889,000 bushels, so we do not look for much of an increase in the visible supply, if any. There were some more cancellations of wheat out of Chicago, and there is plenty of storage room here now.

Corn was weak- good weather continuing, but the chief influence was again heavy selling on part of our biggest holder of cash corn for December delivery. We presume that these sales are made in anticipation of the effect heavier deliveries in September will have, and we believe they will come before very long.

Oats were also lower, but they showed a firm tendency; believe this cereal is very cheap. There are only 3,000,000 bushels of oats here in Chicago, and 200,000 bushels are sold to go out. Receipts are so small that we do not expect any increase in stocks any time this year.

Rye was also lower, but has a great many friends.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 14th, 1931.

Liverpool wheat cables were weaker today following our decline of Saturday, and during the session there was a further recession in prices, and with our advance here, puts us more out of line than for some time. We, ourselves, think that Liverpool wheat remains by far the cheapest of any wheat, particularly when it is considered that there is a probability, or at least a possibility, that there will be a protective tariff put on wheat in England, as well as on other articles, which would immediately increase the Liverpool pricew in accordance with any duty which would be imposed upon the people. But outside of that considering there are very few places where wheat is raised that can be shipped to England for less than 20¢ per bushel, the price of May wheat around 63¢ looks to us very attractive.

World shipments were quite large- almost 16,000,000 bushels compared with 12,755,000 bushels last year, and of this total North America contributed only one-third, or 5,200,000 bushels, while last year North America shipped considerably over one-half, or 7,687,000 bushels.

These statistics, which were known before the opening of our market, had a very depressing effect, and there was quite a good deal of liquidation. However, when the visible supply statement came out showing the first decrease on this crop of 1,819,000 bushels, while last year there was an increase of over 7,500,000 bushels, sentiment turned and prices reacted very quickly, closing considerably higher than Saturday. The total visible supply now is 234,000,000 bushels against 198,000,000 bushels last season, but there are still about 28,000,000 bushels more of United States wheat in Canada than there was then. Primary receipts of wheat were over 2,305,000 bushels versus 3,169,000 bushels last year. All of this shows very plainly that farmers are holding their wheat and are not shipping it to market, for which they cannot be blamed as the net prices paid to them are very ruinous.

Clearances were considerably larger today- being 914,000 bushels compared with [illegible],[illegible]13,000 bushels last year. It is also expected that two full cargoes will clear from New York next week to Brazil representing the first shipment to that country.

We believe the same disappointment will happen when the new corn commences to move, as the farmer will realize even less for his corn than for his wheat, and will not be anxious to dispose of it. Therefore, we think the present corn prices are plenty low enough.

Oats for the same reasons are cheap, and so is rye.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sept. 15th, 1931.

Liverpool before our session opened showed rather a weak tendency, inasmuch as they had only partially followed our advance of yesterday. However, during the session, probably because of our strengt here, they gained 1¢ per bushel compared with yesterday. We repeat over and over again that Liverpool wheat looks very attractive to us, and for two very good reasons; first, it is practically the cheapest wheat in the world- freight and expenses considered less than 64¢ for May; and then again, there is a great possibility that England will have protective tariff before next May, in which case there would be an additional advance equal to the amount of duty put on wheat.

The strength here was caused by various reasons; the importance of which we cannot subscribe to; one of them is the strength in cash premiums. It has been our experience time and time again that cash premiums are always high whenever storage room is plentiful and vice versa. There has been a large increase in elevator space all over the country, and in addition, lots of wheat has been shipped out of here and stored in Canadian ports. Consequently, elevators have plenty of empty room, and they like to fill up the elevators; therefore, they compete for the small arrivals of wheat. However, premiums have not advanced on export wheat, and this is the only thing that counts with us as long as we have such a large exportable surplus, not to speak of our large carryover. We raised on this year's crop probably 200,000,000 bushels for export, and according to Broomhall, last week's exports from the United States were only 1,492,000 bushels; even Canada shipped 3,740,000 bushels. Under these circumstances, the advance which started early in the session could not hold.

Primary receipts continue to be light- 1,430,000 bushels compared with 2,192,000 bushels last year; clearances amounted to 240,000 bushels, which is an improvement compared with what they have been, but of course nothing to boast of as yet. Canadian marketings are 1,954,000 bushels; while much smaller than last year they are much more than will be wanted daily, and therefore Canada has quite a problem. Their market acted weak also during most of the session.

Corn was comparatively strong, altho when wheat declined it sympathised with it.

Oats and rye made a good account of themselves under the circumstances.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 16th, 1931.

Liverpool wheat cables after small fluctuations closed about the same as the day before, and neither the bull nor the bear could get any comfort out of same. For over six weeks now Liverpool wheat fluctuated exceedingly little; they never followed our extreme bulges nor extreme declines and are continually under parity with this market. This is easily explained by the fact that Atlantic wheat continues to be sold abroad considerably below Chicago replacement values.

There is more or less export business being reported right along, but when the actual clearances come out on Friday the total quantities disposed of are not very startling. We figure that the United States alone at the beginning of the year had about 1,200,000,000 bus. available-- that is this year's crop and carryover; our normal consumption is about 650,000,000 bushels and this also includes normal feeding; add to this about 50,000,000 bushels for extra feeding and waste, would give a consumption of 700,000,000 bushels leaving about 500,000,000 bushels available for export and carryover. According to this we ought to export at least 50,000,000 bushels of wheat and flour the first three months, as they usually are the best exporting months, as later on we have to meet competition from the Southern Hemisphere. We doubt, however, whether our exports up to the first of October will reach 40,000,000 bushels.

The local element, howeve, feels very bullishly inclined, much preferring to take this side on the slightest excuse; they naturally feel that the price itself is so low that it has discounted much and that the chances for losses are at a minimum.

There were some purchases made on the report that further sales might be made to China. Of course, it is always possible to dispose of our wheat to Nations on credit which are hard pressed for funds, but we would much prefer to see our export business develop in the natural way and to those countries, which need it and can pay for it. As long as England buys about 40% of all the wheat which exporters sell to European countries that country must be looked to more as a guide to the future than any other place.

Farmers' deliveries in Canada from August 1st up to September 11th were about 60,000,000 bushels less than last season; and as the crop in the Western Provinces is about 120,000,000 bushels less than in 1930, the presumption is about 60,000,000 bushels less wheat in farmers' hand now in Canada than last year. Farmers' deliveries today were 1,585,000 bushels. Primary receipts of wheat light- 1,337,000 bushels compared with 1,978,000 bushels last year. Corn receipts make an even worse comparison-- 215,000 bushels compared with 542,000 bushels last year. Clearances of wheat from United States are very light-- only 11,000 bushels from Philadelphia. There were receipts cancelled for 205,000 bushels of wheat and 200,000 bushels of corn, showing grain is going out all the time, and with the light receipts cannot be replaced at the present time.

About one hour before the session closed we had quite a good dip from the highest points, but nevertheless the market closed reasonably strong at a fair advance.

Corn was also firmer in sympathy with wheat, showed the same fate at the end, losing part of its advance.

Oats and rye were in fair demand.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.

Sept. 17th, 1931.

Liverpool wheat cables varied very little from yesterday, and they were hardly a market factor in the shaping of our prices today. The chief important news to be considered was the heavy Russian shipments- about 5,000,000 bushels, augmented by other Black Sea shipments of 2,880,000 bushels, or a total of almost 8,000,000 bushels, which in its importance overshadows everything else. We have been led to believe lately that Russia would not be the large exporter this season, and these reports might still be correct, but unless they are substantiated soon by smaller clearances from that source they will be discredited, Naturally, as North America and Russia are the two largest exporters, we suffer accordingly, and Bradstreets' clearances for the week from all of North America were only 6,500,000 bushels compared with 9,500,000 bushels last year; so far this year United States and Canada together exported 38,000,000 bushels less wheat than last year. It is becoming clearer daily that this is where the rub lies, and that there can be no permanent improvement in prices this season until we regain our export market to a larger extent. It is not only that the wheat is in such poor demand from abroad, but on account of the short crop in our Northwest and in consequence the strength there compared with other grades of wheat, the flour business on part of our largest Northwestern millers is suffering very much as far as the export part is concerned.

According to Canadian Custom House returns, Canada exported during the month of August a little less than 12,000,000 bushels of wheat against 17,639,000 bushels last year; she also exported 100,000 barrels less flour. In 1930 her wheat and flour shipments for the months of September, October and November were as follows:

	Sept.	Oct.	Nov.	
Wheat	27,817,953	29,784,275	31,217,924	bushels
Flour	734,349	813,691	792,271	barrels

It is not likely that this performance can be repeated this year. It is well, however, to take into consideration that not necessarily all the wheat which had been reported as exported from Canada had been cleared immediately for abroad, as some of it has temporarily been stored in the United States to be exported later on.

Trade here is very much inclined to play the bull side of wheat, and would do so on any encouragement. A real sound foundation can only be laid, in our opinion, for a permanent upward movement, either in a change in the foreign situation or largely reduced acreage and crop scares later on. Of course, any prospect of such events would be discounted long before.

Corn acted rather weak. There were better deliveries for the first time on September contracts, which had some effect, and then the weather was favorable. However, for a long pull we repeat again that we feel friendly to corn, oats and rye; they are not burdened with such large carryovers as wheat.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

September 18, 1931

Liverpool wheat cables were weak today and in sympathy our market opened a trifle lower; but, there was no particular pressure on wheat early in the session. However, later on when stocks had another sharp break discouragement became very great and this was the chief influence in reducing prices to lower levels. Otherwise the news was very much as heretofore: Clearances were light, only 264,000 bushels of United-States wheat from all ports. Primary receipts also made a poor showing compared with last year, being 1,006,000 bushels compared with 1,536,000 bushels in 1930; the decrease is chiefly in the Northwest; as of late, because the movement in the Southwest is not bad and some individual points are getting quite good receipts - for instance, Hutchinson had 260 cars and so had Dodge City, Kansas.

However, in analyzing the exports from North America, we find that United States so far makes a very poor showing. During the first eleven weeks of this crop year, and usually these are about the best weeks during the year, we exported only 26,683,000 bushels wheat and flour compared with 42,889,000 bushels last year. This is less than 2,500,000 bushels per week, or at the rate of about 125,000,000 bushels a year. If we do not do better, our carryover next year will be bigger than this season. Canada also did very poorly, only 36,000,000 bushels compared with 56,000,000 bushels last season. Canada also will not be able to reduce her stocks very materially unless she makes greater efforts to sell some wheat abroad.

Corn, oats and rye all sympathized with the sister cereal and closed lower; but, every one of these cereals, in our opinion, has prospects of making a better showing later on because we have no burdensome stocks to press on the market, and receipts from this year's crop continue to be light.

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FORT WORTH GRAIN AND COTTON EX.

Sat Sept. 19th, 1931.

Liverpool wheat cables were higher today, which was rather constructive, but this as well as all other news was ignored in face of the great convulsions which are taking place all over the world. In Wall Street, stocks and all kinds of securities declined to further low levels; this after an unprecedented decline of almost two years. In exchange circles the pound sterling declined and there was fear that the exchange will have to be sustained artificially or else it will crumble; everybody knows how bad conditions are in Germany, Austria and the Balkan States. With such a pessimistic feeling and in view of the unprecedented situation, the trade was much inclined to take the selling side, buyers were very few and all cereals declined regardless of intrinsic values. Of course, if the wheat situation were inherently sound these conditions might be ignored, as the world will continue to eat bread, but with the great accumulations for a number of years now, there is always bound to be pressure on the market.

Primary receipts are larger than recently- 1,617,000 bushels compared with 1,814,000 bushels in 1930. The movement in the Southwest is good, but in the Northwest, of course, it is light, and will continue so inasmuch as they had such poor crops. There were no clearances whatsoever. We look for a moderate decline in the visible supply on Monday.

For the present our wheat prices will be as much influenced by outside conditions, or perhaps more so, than by actual supply and demand. The Southwest still complains of bad soil conditions for the sowing of the new crop, but there are better indications for moisture over Sunday.

One of the great elements responsible for the weakness was the great decline in Minneapolis futures, particularly their September wheat, which declined almost 4¢ per bushel.

Winnipeg market was comparatively firm, but this was due to the exchange situation-- the Canadian exchange selling at almost 2% discount, which makes about 1¢ a bushel difference in the price of wheat.

Corn, oats and rye sympathised with wheat and suffered from the same causes; however, the decline was more moderate.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 21st, 1931.

The all important event over the holiday, and almost transcending in its importance to anything which happened since the great War, was the suspension of the gold basis in England; of course, as a result price changes were violent and at times liquidation was very heavy. Of course, nobody is smart enough to figure out what this will finally mean; it may be a good policy for England to stabilize its money on a permanently lower basis, like France, Belgium, Germany and other countries did. This would automatically reduce the volume of their debts and interest charges, as they would be paid in depreciated currency; it would reduce wages and doles and put England in a much better position and might be the beginning of a permanent improvement. On the other hand, there are some who believe it is only a temporary measure and that England is too proud to repudiate its obligations, and that it might yet go on the old gold basis after a while.

The immediate effect was naturally an advance in prices at Liverpool almost corresponding to the decline in exchange, and spreaders profited largely on this transaction. As far as grain itself is concerned, we do not believe it will affect prices either way. England will be compelled to buy in other countries on basis of gold, and the lower the exchange the more pounds it will have to pay.

We are advised by people who talked over the 'phone to London, that England is very serene, so there is no panic there, and presume business will continue the same as before.

Had grain prices not been deflated so seriously, no doubt, we would have had a small panic here, but as it was, after the early depression prices reacted very reasonably.

Statistics did not cut much of a figure, but nevertheless they were very interesting, as finally they will form the basis of price levels. We just give them in a condensed form as follows:
World shipments very large- 19,200,000 bushels compared with 8,200,000 bushels last year; the contribution from North America is 3,000,000 bushels less-- from the Black Sea ports almost ,600,000 bushels more. Primary receipts are again light- ,182,000 bushels against 2,936,000 bushels a year ago. Think weather in the Southwest a little better for soil conditions. Deliveries are still light- only 36,000 bushels wheat and 11,000 bushels corn. Liverpool stocks are very heavy- being 5,168,000 bushels versus only 1,424,000 bushels last year. The visible supply decreased 1,372,000 bushels compared with an increase last year of almost 4,000,000 bushels, but it is still about 0,000,000 bushels larger, not figuring the large amount of United States wheats in Canada.

Corn, oats and rye held comparatively firm, as these cereals are already selling at such low levels that any further decline would bring about such reduced shipments that automatically they might improve.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 22nd, 1931.

Liverpool wheat cables were higher today; it is very largely a question of exchange, and as this complicated matter is understood by very few people little attention was paid to that factor. However, our market opened very strong, chiefly in sympathy with the very surprisingly strong stock market; cotton also opened higher. The news altogether was quite cheerful from many quarters and the grain market sympathised with it. The foreign business at the present time is very quiet- it almost reminds one of War years, but we think in a few days we shall get used to the changed conditions in Canada and Liverpool. The exchange in Canada varied from about 9% discount to 7% discount; On account of a somewhat better exchange today than yesterday, the Canadian market was comparatively weak- influenced also by more favorable weather, and we expect heavier receipts there now.

The daily routine news was not much of an influence; clearances were light again- about 64,000 bushels; primary receipts were only 1,181,000 bushels, and they were quite small last year also- 1,288,000 bushels, but yet receipts are small enough so there is no great additional pressure. Premiums in Minneapolis are declining and the general wheat demand, even for domestic purposes, has moderated considerably. Sentiment, however, has improved, and while there is nothing in the situation to expect any bull market, at the same time we do not think prices will decline very much from this level.

Corn, oats and rye all sympathised with the strength in wheat, but these cereals have great inherent merit. The visible supply in oats is not very large; old corn is being absorbed very rapidly and we do not believe that farmers will be in a great hurry to dispose of their new crop at present levels, particularly if the general business situation should improve, of which we think there are at least better prospects now.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sept. 23nd, 1931.

Liverpool wheat cables were higher today; it is very largely a question of exchange, and as this complicated matter is understood by very few people little attention was paid to that factor. However, our market opened very strong, chiefly in sympathy with the very surprisingly strong stock market; cotton also opened higher. The news altogether was quite cheerful from many quarters and the grain market sympathised with it. The foreign business at the present time is very quiet- it almost reminds one of War years, but we think in a few days we shall get used to the changed conditions in Canada and Liverpool. The exchange in Canada varied from about 9% discount to 7% discount; On account of a somewhat better exchange today than yesterday, the Canadian market was comparatively weak- influenced also by more favorable weather, and we expect heavier receipts there now.

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Corn, oats and rye all sympathised with the strength in wheat, but these cereals have great inherent merit. The visible supply in oats is not very large; old corn is being absorbed very rapidly and we do not believe that farmers will be in a great hurry to dispose of their new crop at present levels, particularly if the general business situation should improve, of which we think there are at least better prospects now.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 24th, 1931.

Liverpool wheat cables were again very strong today following a further decline in sterling to about $3.90, which is now a depreciation of almost 20% from normal. We were also advised that England and other Continental countries were quite heavy buyers of wheat- not only the futures but also of cash, evidently feeling that the ownership of wheat is a better asset at the present time than funds in the bank in currency which has been depreciated and may depreciate more. Of course, the foreign markets are all under the influence of the exchange question now- almost like they were during the War, but their wheat prices have not advanced yet as much as the exchange has declined; in other words, we are in a worse position for actual exports than we were before, and it is this fact which has a depressing influence on our market. Therefore, after an early advance prices declined and at the close the feeling was quite weak.

Otherwise the news was about a standoff; on the one side there was a further decline in Wall Street prices, which was very discouraging, as a great many had believed that yesterday's advance would be the beginning of a turn for the better; and on the other hand primary receipts were small again - 1,391,000 bushels compared with 1,524,000 bushels last year. Clearances were close to nothing, only 34,000 bushels from New York, while last year we cleared 876,000 bushels.

Corn, oats and rye all sympathised with the general weakness in other markets and closed lower.

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DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 25th, 1931.

When our session opened today Liverpool wheat cables were higher, but the pound sterling had declined about 30 points this morning, and figuring the decline in the exchange, wheat had not advanced sufficiently to offset the higher cost of dollars, so they were construed as weak cables. Later on the British exchange improved and their market weakened. Everybody seems to be more interested in foreign exchange, English as well as Canadian, than in wheat statistics. We are inclined to think, at least, we hope, that as the exchange has dropped now about 20% it will soon be stabilized somewhere near this level, in which case actual grain conditions will rule, and then it will be easier to express an opinion regarding the value of cereals.

As far as wheat is concerned, we have not changed our opinion as expressed six or seven weeks ago; namely, that it will neither advance nor decline very sharply. We cannot imagine a big drop in wheat, as this would automatically stop farmers' movement. On the other hand, we cannot conceive at the present time much of an advance in values with all the statistics being so bearish. Clearances, as given out by Bradstreet yesterday, were again much smaller than last year- almost 2,000,000 bushels less, and the total North American shipments up to date are 40,000,000 bushels less than similar period last season. If shipments do not pick up a great deal we do not see how North American can reduce its stocks. The Official Government report for the United States is 886,000,000 bushels, and for Canada 271,000,000 bushels, or a total crop in North America of 1,157,000,000 bushels. The normal consumption in these two countries is approximately 760,000,000 bushels, so there would be left for export 400,000,000 bushels; assuming that 50,000,000 bushels will disappear thru extra feeding or waste there would still be left 350,000,000 bushels. During the first and best three months of the year we probably will not ship more than 80,000,000 bushels, or at the rate of 320,000,000 bushels a year.

Primary receipts continue to be light, but the smaller receipts are entirely in the Northwest; the Southwest still having a fair movement- a total of 1,430,000 bushels compared with 1,787,000 bushels last year. Canadian marketings are light- only 768,000, bushels, but with this depression abroad now the new business is very light, and we understand very difficult; and it must remain so until these sharp fluctuations in exchange disappear.

Coarse grains, which are more a domestic proposition, were reasonably firm; there have been chartered 100,000 bushels of oats to Buffalo, and 300,000 bushels of corn to Eastern ports. We believe that corn stocks will be extremely light when the new crop commences to move; we also feel that the farmer will sell very sparingly, and we look for a firming-up in all coarse grains.

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DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

9-26-31

Liverpool wheat cables today were a trifle lower in English money. The exchange was considerably steadier today, and it was no factor in the shaping of our wheat prices at the opening. The exchange has depreciated now about 20%; the market today for the first time was quite steady, and the difference between buying and selling prices very reasonable. It would be our guess that from now on the Sterling exchange market will be steady, which would be a great advantage, as grain merchants will be able again to do business abroad without taking too much risk. However, as far as our prices are concerned it will have no particular influence and we shall depend on actual wheat conditions, as we do in normal times.

Figuring wheat on present basis of Liverpool, our prices are about 6¢ per bushel lower than theirs, and as it costs about 12 to 18¢ to ship it over there from the various markets, they are under parity and Liverpool ought to gain on us right along. Also there is at least a possibility that a tariff will be placed on wheat, in which case prices will advance just that much. We still believe that the purchase of Liverpool futures compared with ours will make some money, altho on account of the natural improvement which has already taken place and the drop in exchange purchases which had been made showed from 7 to 10¢ a bushel profit compared with two or three weeks ago

News in wheat is absolutely uninteresting. Primary receipts are sufficient to take care of all the ordinary demands and consequently the visible supply does not change much. Cash premiums in the Northwest have decreased considerably, and thus the demand for Southwestern wheat is not so brisk as it was. Export business is extremely difficult on account of the fluctuating exchange. World's shipments continue big, stocks at English ports are large, and exporting countries all competing with one another very strongly.

Primary receipts today were almost as large as last year in spite of the smaller Northwestern movement- 1,539,000 bushels compared with 1,580,000 bushels in 1930. Clearances were moderate; there were 326,000 bushels of wheat shipped from Baltimore.

We believe a great change will come after the turn of the year. We figure that the overproduction in the world during the last five years has been about 100,000,000 bushels a year, so we have gradually accumulated 500,000,000 bushels too much wheat. Now Argentine and Australia together have decreased their acreage perhaps 8,000,000 acres; it is generally estimated that the United States will decrease at least 5,000,000, and Canada perhaps 2,000,000 acres, which would make a total of 15,000,000 acres ordinarily producing 160,000,000 to 180,000,000 bushels of wheat. Consequently, next year we may start to be on an under-production instead of overproduction, and cut into our stocks. If in addition the Balkan States should reduce their acreages there would be only one danger to low prices, namely Russia.

he feeling in corn was rather bearish in sympathy with the decline in September corn. Oats and rye sympathised with this weaker feeling, but not to a large extent.

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DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 28th, 1931.

Liverpool wheat cables were unchanged today in English money, and as sterling also showed no great variation, the basis was practically the same as on Saturday, which means that their December is about 5¢ over ours and their May about 6¢. These are not sufficient differences to enable us to do a large export business. The official exports of the United States for August came out today, showing only 11,781,000 bushels compared with 24,168,000 bushels in 1930; it is true, the difference is not so great taking July and August together- figures being 36,060,000 bushels against 40,355,000 bushels last year. However, this year there are about 15,000,000 bushels of wheat included as being exported, but which are still in Canada; therefore, the actual clearances and sales of American wheat are probably not much more than 21,000,000 bushels for two of our best months, and this wouldbe hardly sufficient to reduce our stocks; in fact, if this does not improve they will increase at the end of the year.

Canada mekes a comparatively better showing on account of their poor crop; their visible supply has decreased to 59,000,000 bushels compared with 84,000,000 bushels in 1930; also farmers stocks are much smaller, as the crop was very light. However, in 1930 after this period their exports were very large, and they will have to be much better than now in order to make a good showing for that country.

Primary receipts of wheat continue to be light- being 2,053,000 bushels compared with 2,687,000 bushels last season. Clearances for the day were fair at 396,000 bushels. The visible supply showed a decrease of 1,506,000 bushels compared with 3,112,000 bushels increase last year. The total now is about 25,000,000 bushels more than in 1930, and we think there are perhaps 25 to 30,000,000 bushels more United States wheat in Canada than there was last season.

Trade in wheat was extremely light and after an early break the market reacted some, but lost ground again when stocks broke- closing about 1/2¢ lower than Saturday.

The flucutations in coarse grains were even smaller than in wheat, and there is not much interest shown in a speculative way.

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DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Sept. 29th, 1931.

Liverpool wheat cables showed substantial weakness this morning; only a very small portion of it, however, could be attributed to the slightly better sterling rate. Liverpool after having shown some strength for the past week is again only 5 or 6¢ over Chicago, which is far from a shipping parity, and therefore, in our opinion, the big readjustment is still ahead, providing there is no radical change in the foreign exchange rate, which for the time being appears to be more or less stabilized.

Export business during all this period has remained very slow, and with the reduced buying power abroad even the low prices fail to stimulate much activity beyond immediate needs.

Possibly a more dominant factor than the foreign influence is the great weakness in the securities market. also in cotton, which tends to keep traders terribly depressed, and also prevents outsiders from entering the market in a speculative or investment manner.

The routine news today showed very little change from that of late. Primary receipts make a little better showing as compared to last year- being 1,259,000 bushels versus 1,243,000 bushels at that time. Corn receipts are 372,000 bushels against 498,000 bushels last year. Clearances are very small- total being only 113,000 bushels. We are advised from Winnipeg that country marketings are running about 1,500,000 bushels; weather up there is mostly clear and movement getting pretty well under way. Kansas City, Duluth and Minneapolis together show a total increase thus far of 538,000 bushels.

The Argentine exportable surplus was officially placed at 41,000,000 bushels, which was less than the recent Broomhall estimate, but had very little, if any, effect upon the world's markets.

We believe, as we have right along, that there is little money to be made on the short side; however, chances for an advance before the first of the year are not very great. September wheat went to a greater discount under December under liquidating sales, and we understand also that a little more wheat has been worked to this market for delivery on December contracts, which will possibly widen slightly the carrying charges from December to May.

Corn deliveries sold at new lows for the season. There was not very much liquidation, but enough, influenced by weakness in wheat, cotton and stocks to create great skepticism. We feel that all coarse grains may be temporarily affected by outside influences; they have enough intrinsic value at the present low levels to form a better basis when other conditions change. In any event, farmers will display a holding tendency, and we remain friendly to these grains.

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FORT WORTH GRAIN AND COTTON EX.

Sept. 30th, 1931.

Liverpool wheat cables were again very weak, and all the conditions which usually affect grain markets are very depressing. Investment stocks of all kinds show a weak tendency, and losses of capital have been simply tremendous, all of which is not conducive to heavy speculation. In Europe, no doubt, economies will take place, and Broomhall now states that supplies of home-grown wheat in Italy and Spain will probably be sufficient for the season's requirements; as a rule Italy is a very large importer, but of course, they all want to protect their exchange and reduce importation of everything as much as possible.

Unfortunately our competitors, particularly Canada with the depreciated exchange, are getting better prices in their own currency, and farmers' deliveries in Canada are quite fair considering the short crop- being 1,584,000 bushels.

We are not old enough to remember it, but we read in the papers that wheat is selling abroad at practically the lowest price in seven hundred years. Therefore, cannot advise the short side of wheat;,but when we consider the prices at which wheat is selling at Liverpool on basis of present Sterling exchange, it is appalling, and we cannot as yet take the bull side. For instance Liverpool October wheat is selling at the equivalent of 48 1/4¢ and December at 51 3/4¢. How can we hope to do any business? And without much business what will be the situation at the end of this year? We figure our crop and carryover together will be 1,224,000,000 bushels. Our normal consumption is 650,000,000 bushels, and assuming that we export 150,000,000, making the total 800,000,000 bushels, there would still be left 424,000,000 bushels. Assuming that we waste and feed and extra 75,000,000 bushels, there would still be 350,000,000 bushels left.

Primary receipts of wheat today light- 1,101,000 bushels compared with 1,324,000 bushels last year. We presume with these low prices they will continue to be light, but the demand is equally poor. Clearances were only 203,000 bushels of American wheat; imagine there is very little new business going on with the English situation as it is. There is a small increase in Minneapolis, Kansas City and Duluth stocks so far this week of 243,000 bushels.

Corn, oats and rye held comparatively steady, which is due to the fact that there is no over-supply in these cereals, and low prices are only due to the general depression in business.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 1st, 1931.

Liverpool wheat cables were very weak today; a small part might have been due to the improved sterling exchange, which gradually advanced during the session to about $4.00. However, the larger part must be attributed to the weak wheat situation itself. Russian and the Black Sea shipments were again 6,120,000 bushels, and when it is considered that very little wheat came from these countries until about two years ago it shows very clearly how the whole world situation in wheat has changed.

The stock market was quite weak; ordinarily it would have had a very depressing influence, as well as all other statistics, but it seems the price is already so low that it is not easy to break the market any further. Whether this will finally have to come or not is difficult to tell, but unless our exports improve the situation here will remain very bad. This week's clearances from all of North America were only 4,866,000 bushels compared with 6,389,000 bushels last year; the total for three months is now 77,709,000 bushels against 119,338,000 bushels last year, or 42,000,000 bushels less; this if continued would be at the rate of over 160,000,000 bushels less for the whole year. Of course, we do not assume this rate of decrease will continue, but at the same time prospects for exports are very small at present, and with this demoralization abroad, we do not see how they can improve much at the moment. It is also shown in light clearances today- being 349,000 bushels.

Primary receipts were moderate- 1,266,000 bushels compared with 1,440,000 bushels last season. Kansas City, Minneapolis and Duluth stocks together show an increase of 221,000 bushels.

We view the statistical position of wheat just now as follows:

U. S. wheat carried over, including wheat stored in Canada about - - - - - - - - - - - - - - - - - - -		335,000,000 bu.
Canadian carryover- - - - - - - - - - - - - - - -		140,000,000 "
TOTAL - - - - - - - - - - - - - - - - - -		475,000,000 "
Canadian crop- - - - - - - - - - - - - - - - - -		271,000,000 "
United States crop- - - - - - - - - - - - - - - -		886,000,000 "
TOTAL - - - - - - - - - - - - - - - - - -		1,632,000,000 "
Normal U.S. consumption-	650,000,000 bu.	
" Canadian " -	120,000,000 "	
Extra waste and feed - -	50,000,000 "	
TOTAL - - - - - - - - - - - - - - - - - -		820,000,000 "
leaving for export and carryover- - - - - - -		812,000,000 "
North American clearances for three months 77,709,000 bushels, or at the rate of - - - -		312,000,000 "
a year, which would leave a carryover in North America of - - - - - - - - - - - - - - - -		500,000,000 "

The chances are there will be about 100,000,000 bushels less carried by the Farm Board and possibly 100,000,000 bushels more in farmers' hands, but the general public would still hold a very large quantity.

Private experts came out with an estimate of this year's corn crop- making it about 2,680,000,000 bushels; this is a fair crop, and with the light stocks carried over, ought not to be too burdensome, particularly as we assume there will be more fed and wasted than usual. It had no effect whatsoever on the market and fluctuations in corn were extremely small.

Rye and oats also held steady.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Oct. 2nd, 1931.

Liverpool wheat cables were rather xtrong today, but the advance was apparently an offset against the weaker sterling exchange. Otherwise, there is nothing in quotations to encourage any hopes for export business from this side. Flour mills are suffering, the same as wheat merchants, from the lack of export demand. According to a compilation by General Mills, flour production by approximately 90 per cent of the mills in the principal producing centers of the U. S. totaled 18,809,000 barrels up to September 26th, compared with 20,933,000 barrels last year. If the mills ground 2,000,000 barrels less flour than last year, we presume this must be all due to lack of export business. We cannot imagine that the home consumption is smaller than it was in 1930, but naturally when wheat cannot be exported except such as is being disposed of at sacrifice prices by the farm board, flour also must remain in this country.

Winnipeg May wheat, exchange considered, is selling now lower than ours, and of course under these circumstances Canada will do the business. We consider the purchase of Winnipeg May wheat against Chicago as promising good results. We do not think the exchange question can be corrected right away. The reason for their comparative weakness, exchange considered, is the heavy farmers' movement, allowing for the small crop; farmers' deliveries were 1,957,000 bushels. Primary receipts in the United States were very small- perhaps the first day on this crop when they went below one million bushels- being only 893,000 bushels, compared with 1,185,000 bushels last year. Clearances were heavier- amounting to 681,000 bushels.

Our wheat market acted very steady, particularly in view of the fact that the stock market at times was very weak again, and it is very discouraging. Nevertheless, and in spite of the low levels reached already, we must have a better outlet for our wheat to give the bulls permanent encouragement. Later on, of course, this may come, with the decreased acreages and possible crop scares.

Washington reports that during the first quarter of the present fiscal year the farm board is credited by the Treasury Department with having spent $75,326,000. compared with $22,894,000. during the same period last year. As the last appropriation for the Farm Board of $100,000,000. was not available until July 1st, we figure that the Farm Board must have at least $25,000,000. more coming from the U. S. T5easury to complete the $500,000,000. revolving fund.

Corn acted rather weak during most of the session; fine weather is encouraging an early movement, but yet we believe that at no time will the pressure be very great, because the farmer can use the largest part of his corn for feed to better advantage than shipping it at prevailing low prices.

Oats and rye held comparatively steady.

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FORT WORTH GRAIN AND COTTON EX.

Sat Oct. 3rd, 1931.

Liverpool wheat cables were higher today, being mostly a reflection of lower Sterling exchange. As far as actual values are concerned, English and Continental markets are entirely out of line with Chicago; normally the difference would be from 8 to 10¢ greater than it is now. Therefore, we cannot look for any large export business. Under normal conditions speculators would purchase our futures, particularly the May future, in view of the fact that wheat is netting the farmer so little that on any further decline we imagine receipts would drop off materially, and the large carryover, which isbound to exist in this country on July 1st, will be more largely carried by the farmer than by the speculator. However, there is no short interest in the market, and with the great business depression existing and all stock values declining, it is hard to find new buyers for those who have to realize big losses, and there mustbe a certain quantity of wheat hedged which naturally is a pressure on the market right along. Under these circumstances, and even in spite of low prices, we can see no encouragement for the bull until some of these fundamental conditions change.

There is very little attention paid to statistics; primary receipts of wheat were 1,062,000 bushels compared with 1,153,000 bushels last year. Clearances were light-80,000 bushels. Stocks at Duluth, Kansas City and Minneapolis decreased 25,000 bushels for the week. Canadian receipts are heavier considering the size of the crop-being 2,198,000 bushels; nevertheless, their market kept strong on account of the depreciation in currency.

We are advised that in all probability Canada will be off the gold standard officially tonight; this will only have a sentimental effect, as with 13% discount no gold has been obtainable for some time in exchange for notes. However, there is a possibility that the exchange will decline further inasmuch as the discount now is only 13% compared with 20% in sterling.

Corn, oats and rye all sympathised with wheat, cotton and other weak markets and closed considerably lower. We still maintain that whenever conditions change coarse grains will be the first to benefit, as there is no such surplus production in these cereals as there is in wheat.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Oct. 5th, 1931.

Liverpool wheat cables were quite strong today before our session opened- partly due to a lower sterling exchange, but also partly due to grain conditions. World shipments are getting to be quite moderate- being only 15,521,000 bushels; somewhat less than last week and about one million bushels less than last year. There are only two countries now which make heavy-shipments- North America and the Black Sea; Argentine and Australian shipments are not important. The grain on passage decreased about 5,000,000 bushels; Russia, of course, remains an unknown quantity. We have been told now for many weeks that their shipments will drop off, and should this materialize, naturally the demand from North America would increase. Unfortunately, however, on account of the depression in the Canadian dollar most of the shipments from this continent are now made from Canada, and only a comparatively small quantity from the United States. We, therefore, fear that at the end of the year the largest holdings of carryover wheat will be in the United States.

The visible supply also made a poor showing- increasing 1,483,000 bushels compared with a decrease both last week and last year; in 1930 the decrease was 2,739,000 bushels; the visible supply now is 233,000,000 bushels compared with 202,000,000 bushels last season, and besides there is also a great deal more United States wheat in Canada now than there was then.

Primary receipts for Monday were quite modest- being 1,381,000 bushels against 1,640,000 bushels last year, but the marketings in Canada, influenced by the higher prices being paid on account of the lower exchange, were heavier- 2,576,000 bushels.

The chief depressing influence, however, was not the wheat situation itself; of course, everybody recognizes that the price is extremely low, nor was it short selling, but a steady liquidation on account of the great depression in general business and in Wall Street securities, which causes new losses almost hourly. The financial situation in this country is such at the moment that people are not inclined to make many new commitments. Under these circumstances it is very difficult to make any predictions, but should there be any improvement in Wall Street circles we think it would be quickly reflected in grain prices.

The same causes brought about declines in corn, oats and rye. Corn receipts were very heavy- primary receipts amounting to 944,000 bushels compared with 592,000 bushels a year ago- this in spite of last year's crop having been so poor.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 6th, 1931.

Liverpool wheat cables were decidedly strong this morning, and the advance this time was not due to lowering value of the sterling, but to actual wheat conditions. In fact, sterling was stronger than it had been for sometime. As pointed out in our circular yesterday, Europe is practically getting all of its supplies now from Russia, Black Sea countries and Canada; Argentine and Australia shipping but little, and the United States is out of the market at present prices. This ought to make for a strong situation abroad. There was further great encouragement here in the gradually rising stock market; at the opening, prices were only a little better, but even this was some encouragement to the speculator, as nobody could tell what might happen today after the extremely weak finish yesterday and the desperately low prices. As stocks advanced in Wall Street confidence gained here and the wheat market continued to improve, showing a very lively advance. It is as yet difficult to tell whether this will hold or not, but the price is so low that only little encouragement will be needed to bring speculators into the market as buyers.

Otherwise, statistics were of no great importance. Commercial grain stocks are extremely large- being 256,000,000 bushels compared with 220,000,000 bushels last year, and if we add the United States stocks in Canada of 32,000,000 bushels there would be 288,000,000 bushels of wheat available, with farmers' holdings probably the largest ever at this time of the year, with the possible exception of the Northwest, where of course the crop was so poor that not much was raised.

Canada did not fully follow us as their marketings were very heavy- over 3,000,000 bushels, but with the short crop there, of course, these heavy receipts cannot last for any length of time.

Primary receipts were considerably larger than last season - 1,031,000 bushels versus 930,000 bushels; clearances were 407,000 bushels of which 391,000 bushels were shipped from New York possibly to Brazil. Kansas City, Minneapolis and Duluth stocks show a small decrease so far this week- 148,000 bu.

Corn also advanced sharply in spite of heavier receipts. Oats and rye were also very strong clearly showing, as we predicted right along, that the coarse grains need only the slightest stimulant to bring about higher prices, as there is no extravagant overproduction or surplus like in wheat.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 7th, 1931.

Liverpool wheat cables were stronger today and held their advance; this was largely a reflection of our upturn of yesterday, as there was no material change in the Sterling quotation. The feeling at the opening was reasonably strong on account of President Hoover's proposal for the creation of a $500,000,000. fund to spur business, and this had a sentimental effect on Wall Street stocks; altho same did not improve very much, it was a very good move as it stamped the panicky feeling and even if there should be no material advance at the present time, a steady market would create more confidence, more desire to make purchases and replenish worn out goods and help business. Wheat, however, acted weak, and it is very natural to inquire what ails the market which has reached such low depths that it is almost unbelievable. The answer is not far to seek; instead of getting rid of our burdensome accumulations of the past few years we are still exporting so little that it is likely our carryover next July will be larger than the past year. All the importing nations together purchased so far about 3,000,000 bushels more wheat than last year- this includes the very heavy demand from the Oriental countries for Australian wheat. However, North America exported so far only 82,000,000 bushels, or 45,000,000 bushels less than in 1930; the United States alone shipped only 35,000,000 bushels compared with Canada which shipped more than 47,000,000 bushels. This puts us third on the list as an exporter; Canada coming first, then Russia and we next with only a trifle more than from the small country of Australia, and only 2,500,000 bushels a week so far for the first fourteen weeks, which ought to be amongst the best for the year.

The large decreases in the Argentine and Australian acreages are confirmed, but at the present time their prospects are very good, and should they remain so they would still become very formidable exporters after the turn of the year.

Canadian marketings are still heavy- being almost 3,000,000 bushels but of course this cannot last for long because at that rate the crop might be moved in sixty days.

Clearances were extremely light, showing only 16,000 bushels of wheat from Philadelphia. Primary receipts were very light at 709,000 bushels compared with 959,000 bushels last year when the crop was smaller. This certainly shows a tendency on part of farmers to hold the wheat on farms.

Corn, oats and rye also were lower in sympathy with wheat. Corn receipts on the tail end of the old crop are very heavy; however, we still consider the price very reasonable.

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FORT WORTH GRAIN AND COTTON EX.

October 8, 1931

Liverpool cables were quite strong today, partly a matter of exchange and also on smaller Russian offerings. During the day many reports were circulated, and partly confirmed, that Russia is less active on the selling side and some rumors went as far as to claim charters previously made are being canceled. Inasmuch as Russia was the only important country outside of North America, which is in a position to ship wheat heavily from now on until the Southern Hemisphere harvests its crop, this news was very important. The further fact that wheat is already selling at a very low price, discounting many bearish conditions, also the more favorable conditions in Wall Street advancing prices in stocks, changed sentiment rapidly bringing about one of the sharpest advances we had of late. Whether this will continue now or not will depend upon Europe and whether they will follow our advances.

The one weak feature in the situation was the reluctance on part of Canada to follow us and this may be accounted for by the fact that their marketings are still very heavy, 2,677,000 bushels, and with no Pool to help support prices it is difficult for the hedges in Canadian wheat to be absorbed. We think in the long run their wheat is cheaper than ours, present exchange considered.

The ordinary news was not of much effect, but it was partly bullish: Russian and Black Sea shipments were only 4,256,000 bushels compared with 4,565,000 bushels last year, and probably the first time during this crop that they were smaller. Primary receipts show only 715,000 bushels of wheat compared with 1,114,000 bushels last year, showing great holding tendency on part of the farmer. Bradstreet's clearances, however, while they show an increase over last week, still make a poor showing when compared with 1930, namely, 7,604,000 bushels compared with 9,490,000 bushels last year, and the total up to date, according to the same authority, is 43,000,000 bushels less. Argentine was supposed to ship about 1,580,000 bushels, twice as much as last year when shipments were 790,000 bushels.

Without any special reason, and entirely in sympathy with the strength in wheat, there were sharp advances in corn, oats and rye. These cereals needed only the slightest excuse to advance as prices are extremely low and there are no burdensome stocks.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Oct. 9th, 1931.

Liverpool was fairly responsive this morning, and showed a good undertone, but of course it is also to be considered that their quotations, exchange taken into account, are way below ours. On the assumption that we are a large exporting country we should be selling lots of wheat at this period of the year before Argentine and Australia come on the market with their offerings. Unless something unforeseen happens in the Southern Hemisphere, in spite of smaller acreages, it will not be very long before these countries will be on the market with heavy offerings, and even at present they are still quite a factor. Argentine and Australia together shipped this week 4,000,000 bushels.

The trade at the opening of the session was still under the influence of the general better business feeling and reports which were circulated yesterday about Russia, indicating that shipments from that country would be much curtailed from now on. We, ourselves, cabled for information to some very reliable parties, and while we appreciate that the Russian news is always very conflicting and difficult to obtain actual facts, it was intimated to us that there are no signs yet that Russia supplies are exhausted; while shipments naturally will drop off that country will remain a factor for sometime. So far Russia has shipped 46,000,000 bushels of wheat, and would have to supply only 50,000,000 bushels more to furnish as much as last year. As there are 38 weeks to go yet, it is quite natural that their clearances will be lighter, but yet nobody had figured on Russia exporting a great deal more than last season.

During the session a report was circulated that Russia sold 30,000 tons of wheat in London, which immediately caused a change in sentiment and lower markets. Otherwise the news was much the same as heretofore, and outside of the fact that the world shipments will probably be between 15 and 16,000,000 bushels, it was more or less bullish. Stocks at the three important points- Minneapolis, Duluth and Kansas City show heavy decreases for the week- totaling 1,314,000 bushels, which points to good decreases in the visible supply. Primary receipts also continue to be very light- 746,000 bushels compared with 997,000 bushels last year. Clearances of United States wheat were only 147,000 bushels.

Coarse grains do not seem to take an independent stand just now and seem to follow the sister cereal entirely- consequently, they were all lower in sympathy with the break in wheat.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.

Sat. October 10, 1931

Cables were construed as very strong today, being higher, while our market had been very weak at the close yesterday; and this in spite of about an unchanged sterling exchange. Our session opened here considerably higher, and the market was strong throughout the day until the end. There is no question that there was a great deal of short covering during the last few days, and a great deal of wheat was taken out of the market. Also, long lines were assumulated, based first on the price, which is considered abnormally low, then on reports that Russia is likely to ship less wheat, and then on hopes or fears that there will be a general inflation.

Of course it is indisputable that our level of prices is low. Whether it is cheap or not will depend upon the export situation, as we still have very large surpluses and are way out of line with Liverpool and foreign markets.

As far as Russia is concerned, that country with its size and its politics will always remain an uncertain factor. Our own reports are that heavy charters have been made for November. It was not stated whether they were all for wheat or not, but Russia will have to ship only 1,250,000 bushels a week until the end of the season to ship as much wheat as last year.

As far as inflation is concerned, we see no signs of it; and if that were the chief factor it certainly would have affected oats and corn as well, though these latter cereals advanced only very reluctantly. As a matter of fact, the country which has inflation, Canada, with her currency at 9 per cent discount, was the weakest. This of course can be easily explained by heavier marketings, amounting to 2,828,000 bushels. We think Canada must have marketed easily 15,000,000 bushels this week, which comes very close to 8 or 10 per cent of what they expect to be the total marketings on the short crop in the three provinces, as a great deal naturally stays with the farmer for seed, feeding, etc.

The daily routine news was not particularly interesting, as follows: Kansas City stocks show a large decrease this week: 800,000 bushels. Minneapolis decreased 350,000 bushels, Duluth increased 284,000 bushels, making a net decrease of 866,000 bushels. Clearances today were 291,000 bushels, all from New Orleans. Primary receipts again light, 947,000 bushels; but they were light last year also at 969,000 bushels.

Corn receipts are keeping up, due to the very fine weather; and prices closed only a trifle higher. Oats and rye showed some advance.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 13th, 1931.

The only grain market which was open on Monday was Liverpool, which responded very nicely to our sharp advance on Saturday, and almost every quotation during the day was higher than the previous one- the total advance covering about all our rise of Saturday, so that the relative difference between these two markets is about unchanged. The present difference between Liverpool and Chicago still does not permit shipments from the United States, and we believe that the only wheat which actually clears are shipments on part of the Farm Board to fill contracts to the different Governments, and possibly a little wheat from the Gulf and Atlantic ports, which must be exported and cannot be sold to local mills; therefore, the heavy contribution of North America to world shipments, practically 50% of the total - 8,747,000 bushels, was quite a surprise, and we presume must include a great deal of Canadian wheat. The total world shipments amounted to 17,500,000 bushels of wheat- about 3,000,000 bushels larger than last year, and it is almost the first time on this crop that such a favorable comparison can be made.

The fact that the cotton market also was very strong on account of a bankers' meeting with the Chairman of the Federal Farm Board regarding making advances for holding more cotton into another crop, had a strengthening influence on wheat, and our opening was at considerably better prices than the close Saturday, while for a time further improvements took plade.

The stock market, however, did not act very stable, and had its influence on commodities; finally wheat losts most of its advance and the net changes for the day were quite inconsequential.

Primary receipts were 1,934,000 bushels of wheat compared with 2,171,000 bushels last year, and the visible supply decreased 3,400,000 bushels against an increase last season of 79,000 bushels. However, the total is still 229,000,000 bushels compared with 203,000,000 bushels last year, and as there are 30,000,000 bushels more of American wheat in Canada, there is a total of 260,000,000 bushels in sight, together with perhaps 10,000,000 bushels west of the Rockies.

There were wonderful rains in the Southwest territory and over a wide area in the winter wheat belt where they were very badly needed, and this will give an opportunity now for more fall plowing and sowing. We think the rains have come in time, altho we are still under the impression that the wheat acreage will be very largely reduced on account of the low prices.

Corn receipts continue to be very large- considering the small crop last year, preventing any advance, and this cereal acted very draggy all during the day.

Oats held steady, and the changes in rye were unimportant.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Oct. 14th, 1931.

Liverpool wheat cables were indifferent at first, but quite weak before their close; evidently they do not lay as much emphasis on the Russian news as we do here, and we believe they are right, whether the news is correct or not. It is very difficult to obtain accurate information of what is going on in a big country like Russia. However, we know that so far they have shipped more wheat than any year since the War- or for seventeen years, and it is not likely that they will drop off entirely. Nobody would have thought that they would ship much more than last year, which would mean about 45,000,000 bushels from now on. Whether that will be reduced to 25,000,000 or 30,000,000 bushels or not will not materially change the trend of prices. We lay much more emphasis on more important matters.

We will have to take the whole world situation; and find that so far in 15 weeks the importing countries have taken 219,900,000 bushels of wheat compared with 214,335,000 bushels last year, or about 5,000,000 bushels more. The total importations last year were 784,000,000 bus.; we presume they will be about as much this year, or a little more, and then the question will be- Where will it come from? We believe it is fair to assume that the United States and Canada raised an exportable surplus of

	350,000,000 bushels,
Argentine and Australia	250,000,000 "
Rusia about	100,000,000 "
Danubian Provinces	50,000,000 "
Sundry countries about	50,000,000 "
making a total of	800,000,000 "

Now, we may be wrong 25,000,000 or 50,000,000 bushels, but it is quite plain that we shall not cut very severely into our carryover this season. Next year, of course, will be an entirely different picture. We have repeatedly pointed out that there might be a reduction in acreage sufficient to ordinarily produce 200,000,000 bushels. If this is the case, wheat ought to be worth a great deal more money next year, provided we shall not have a freakishly good crop.

The market was influenced to some extent by the weakness in stocks. Canadian farmers' deliveries were extremely large- ,729,000 bushels. However, with the short crop, we do not think this can last very long, and we think that Winnipeg wheat is by far the cheapest, exchange considered; their May figures about ¢ under ours, and it is very seldom that it does not sell at about 5¢ over ours, later in the season.

Clearances of wheat are the heaviest for some time today, being 90,000 bushels at Galveston and 127,000 bushels at New York; total 717,000 bushels. Primary receipts are good, being ,069,000 bushels compared with 890,000 bushels last year.

Corn, oats and rye all showed a weakening tendency, and when wheat could not hold its advance, they declined considerably under last night's closing prices.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Oct. 15th, 1931.

Liverpool wheat cables were decidedly weak, and while the English market recovered from the lowest point, the close was about 3/4 to 7/8 lower than yesterday. This, to that extent, is very important to us, as England naturally is very well posted on the prospective outlook in Russia regarding their shipments; in fact, most of the wheat which is sold from Russia is disposed of in the English market. Also they at least know as well as we do what is going on in Japan and China, and feel no alarm over the situation.

Inasmuch as our advance lately had been largely established on bullish hopes based on events above enumerated, we expected a rather weak market, which however did not materialize. The local element feels very friendly to wheat, and the opinion is chiefly based on the low price existing, with prospects that factors which have brought about the great depression will not exist next year; namely, the large acreages and the burdensome supplies. As such events are usually discounted ahead, they are inclined to make investments on every decline. We agree on this view more or less, except that we think it is a little too early to start with purchases of wheat, because the burden at the present time is too much. We would be more hopeful if our exports were larger, but they are very disappointing.

Bradstreets' clearances today were only 6,139,000 bushels; while a little larger than last year, they were considerably smaller than last week. So far in 15 weeks North America shipped 43,000,000 bushels less than last season. Russia and the Danubian countries this week together shipped over 6,500,000 bushels of wheat, and while they were lighter fromRussia, compared with last year, they were heavier from the Black Sea Ports. Canadian farmers' deliveries are still enormous- amounting to 3,525,000 bushels, and therefore it is very difficult to lift the Winnipeg market at the present time, but it is bound to come sooner or later, because their wheat is so much cheaper than ours, quality and exchange considered. Primary receipts of wheat were fair 944,000 bushels compared with 812,000 bushels last year.

Corn and oats were extremely quiet; there was not near the bullish enthusiasm in these cereals as in wheat, but nevertheless they probably would have been lower had not the leading cereal remained so firm.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 16th, 1931.

Liverpool wheat cables came as strong today as they were weak yesterday, and as the bears were disappointed yesterday that the market acted so strong in face of the weakness abroad, today the bulls were surprised that in face of a better market at Liverpool values did not react much. There were other reasons today why confidence should have been on the constructive side; namely, a better stock market, but it seems we have reached a point where neither side can expect sharp fluctuations unless something entirely new arrives on the scene. There is plenty of wheat for all purposes; consumers need not be scared into buying on bulges, and there is sufficient absorption on breaks to prevent further sharp dips.

Weekly shipments from various countries are quite heavy-indicating that world shipments will be between 16,000,000 and 17,000,000 bushels, which will be plenty for world's requirements. On the other hand, stocks at Kansas City, Minneapolis and Duluth show a decrease so far of 1,041,000 bushels, indicating a fair-sized decrease in the visible supply. Primary receipts of wheat were practically the same as last year - 927,000 bushels against 969,000 bushels in 1930.

To show how small the trade is- the total turnover yesterday, including scalping operations, in all kinds of grain amounted to 24,000,000 bushels compared with over 58,000,000 bushels last year, and probably it will be even less today.

The rate of interest having been changed on commercial loans, discountable by the Federal Reserve Bank, to 4 1/2% compared to about 2% a month ago, makes carrying of grain considerably more expensive, and at the present difference between December and May wheat there would be very small remuneration for the elevators. We, therefore, feel they will be compelled to deliver their wheat, which will have a tendency to widen the difference, and we believe the sale of December and the purchase of May wheat will make some money.

The interest in corn, oats and rye was even smaller than in wheat, with the minimum amount of fluctuations.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 17th, 1931.

Liverpool wheat cables were about unchanged this morning, but the carried over feeling from yesterday was very bullish, and right at the opening our market was strong and advanced easily on few buying orders.

News in itself was not important today, except that the Chinese-Japanese question is not yet settled by any means, and while we do not look forward to actual warfare, until peace is absolutely assured it will be more or less of a factor from time to time, but not to a very exciting degree.

There is more export business reported than there had been lately, but the sales are mostly from Canada, as with the depreciated exchange there, that country is under-selling us at the present time.

Primary receipts were better today- 1,038,000 bushels compared with 793,000 bushels last year. Kansas City, Minneapolis and Duluth show a decrease so far this week of 1,069,000 bushels, indicating a decrease in the visible supply. Clearances were light- only 137,000 bushels from New York.

The local element is very bullish and may boost prices a little higher, but we do not think the advance can go very far until our burdensome stocks are reduced.

Corn, oats and rye also were very firm, and as we have repeated many times before, we think these cereals have great merit and in due course of time ought to do much better.

To show how the trade has decreased, the total turnover yesterday was only 18,665,000 bushels in all grains, compared with 52,170,000 bushels a year ago. Trade in oats declined to 480,000 bushels, and in rye to 469,000 bushels- probably unprecedented low records in recent years.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 19th, 1931.

Liverpool wheat cables hardly responded to our Saturday's advance, world shipments were heavy and there was no particular news except that there were no further rains in the Southwest, and until this is the case prospects continue for a much reduced acreage in the Southwest. There is very little attention paid to the facts that the United States wheat is out of line for export, that Canadian wheats are much cheaper than ours and that we still have very burdensome supplies. It is true our visible supply decreased 2,670,000 bushels compared with only 1,029,000 bushels last year, but stocks are still 25,000,000 bushels larger, and there are also 32,000,000 bushels of United States wheat still left in Canada. We are only about 2 1/2 months away from the period when Argentine and Australian crops will come on the market, and while their acreages are much reduced, prospects so far are favorable, and the early movement is usually quite heavy. Should this be the case this year, then chances are for exports to decrease instead of increase. Nevertheless, we also have to take sentiment into consideration. Everybody looks at the price, which is low, and possibly for the time being the least line of resistance is to purchase, but sentiment sometimes changes overnight and then statistical conditions will again be more considered.

As our market firmed up today bulls became very encouraged- closing prices being practically at the top!

Canadian farmers' marketings still extremely heavy- 3,500,000 bushels. Their market was strong in spite of it, because they are doing the business now in North America. Clearances are quite good - 599,000 bushels. Primary receipts are very heavy- 1,802,000 bushels compared with 1,180.000 bushels last year. The interior points in the Southwest are also getting much heavier receipts, and this is reflected in the weakness in the Kansas City futures compared with ours. A great many hedges are being transferred to Chicago from the Southwest. The total shipments to Brazil are so far 1,956,000 bushels.

Corn and oats, as well as rye, all sympathised with wheat and closed considerably higher.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 20th, 1931.

The first cables from Liverpool were quite weak this morning, particularly as there had been such sharp advances in North American markets yesterday. A possible influence was the peaceful negotiations in Japanese matters, altho later it was stated that there was considerable liquidation abroad in the way of selling out unwanted types of Argentine wheat which were being replaced by Canadian and American sorts. It is our personal opinion, but also corroborated by fact, that Canada is doing a fair-sized business, and week's clearances demonstrated that with Canadian currency at about 11 to 12% discount, they have a great advantage over American exporters. It is interesting to note in this connection that the United States wheat which is in store at Canadian markets in bond amounts to 32,423,000 bushels; this shows practically no decrease from the previous week, and compares with less than 5,000,000 bushels which were in store at those markets a year ago at this time. Whether or not the Farm Board will finally use this wheat in connection with Brazilian contracts is difficult to tell. It is assumed, however, that possibly some wheat from the interior is being shipped to Atlantic or Gulf ports for this purpose, and possibly accounts for the shrinking of stocks in the visible supply during the last two weeks.

Receipts at smaller markets have increased quite a bit due to the better price level recently established, and with an advance of 9¢ from the low point in May wheat, it has brought about a freer movement, and also developed the feeling amongst speculators that possibly the advance, even if warranted, was much too fast.

There were clearances today from New York of 324,000 bushels, compared with nothing a year ago. Stocks so far at Kansas City, Duluth and Minneapolis show a net decrease of 228,000 bushels, and we doubt if the shrinkage next Monday will be as great as the two which were registered in the weeks just passed. Primary movement was very large- consisting of 1,135,000 bushels of wheat against 629,000 bushels last year. Shipments were small at 735,000 bushels compared with 1,114,000 bushels a year ago.

There seems to be a slight widening in the carrying charge between December and May, and we predicted a few days ago that this should probably come about, as interest rates have risen to a point where elevators will exact a greater carrying charge to remunerate them for their services; otherwise, the grain will have to be delivered on December first contracts.

We do not see a great deal in the situation just now. The heavy load is still with us, and the next advance will be more difficult to attain than the last one. We do feel, however, that with exchange benefits accruing to the interest of Canada that their market will continue to gain on us, and we recommend that spread- by way of purchases in Winnipeg against sales in Chicago.

Coarse grains had a little better tone; despite the weakness of the leading cereal they held their heads up better than of late, and we think they continue to have merit.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

October 21, 1931

Overnight developments featured a recovery in the Liverpool market, where prices had been very much depressed yesterday; also a lower opening in the stock market, due to the Interstate Commerce Commission's decision handed down to the railroads. This requlted in early liquidation, which, however, was rather short-lived.

The great strength in Winnipeg, where prices were able to rally even with the slightly higher Canadian dollar rate, encouraged locals in the Chicago market; and when the market failed to break they rushed in to repurchase the wheat which for the past two days had been sold.

We figure in our own way on the present basis of exchange rates, that #3 Manitoba wheat at the seaboard is only selling at about ½¢ to 1¢ over Chicago December wheat; and as long as this continues naturally the foreign demand will be mostly for Canadian sorts. Broomhall in the division of last week's North American shipments subdivides as follows:

Shipped from Canada 3,814,000 bushels
" " U.S. 2,725,000 "

As time goes on, this will probably increase to a marked degree in the way of Canadian business, as recent price developments have worked in Canada's favor. It might be interesting to call attention to the fact that Canadian marketings have thus far been 65,000,000 bushels less than last year; but even on a smaller farmers' movement actual stocks in Canada are only 35,000,000 bushels less. Today's marketings were 3,500,000 bushels, which is still very large; and it stands to reason that with their comparatively small crop these heavy shipments cannot last at the present rate for any length of time.

The primary receipts today were 1,233,000 bushels vs last year 614,000. Shipments were large at 1,451,000 bushels and about twice as large as last year.

Little attention at the present time is being paid to the good rains which recently occurred in parts of the southwest. One of our good friends wired us from Dallas that practically the entire Texas Panhandle has had good relief, and where the plant has been sown progress is already apparent and a larger acreage than earlier anticipated will probably be put in. There was also precipitation in Western Kansas amounting to almost an inch in places; and also rain in Oklahoma, which in view of the late fall gives the farmer ample opportunity to continue sowing.

Clearances from four ports were 389,000 bushels today compared with nothing a year ago, and stocks thus far at Kansas City, Duluth, and Minneapolis show a net decrease of 442,000 bushels.

We have called attention lately to an improvement in the Winnipeg market as compared to Chicago. This is already making itself felt, and in our opinion will continue further.

Corn and oats were up fractionally, but speculation has imparted little strength to these cereals, as the major interest seems to be featured in the leading grain.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 22nd, 1931.

Liverpool wheat cables were quite weak this morning, and later on it developed that pressure on the other side arose from the rather heavy Russian shipments, which when published showed ower 4,000,000 bushels of wheat cleared from Russia, and 2,500,000 bushels from the Danubian Provinces, making a total of over 6,500,000 bushels. This failed to have much of an effect upon our market immediately, as a number of people are of the impression that from now on Russian shipments will drop off, and this has been the talk now for over a month. Possibly that big country is using the same merchandising tactics as last year, when they sold heavily, fearing a decline, and now using wise tactics in not seeking additional charters until much of the afloat wheat and stocks in foreign ports can be better cleaned up. In any event, one must bear in mind that shipments from Russia alone are 53,000,000 bushels thus far on the crop; this compares with 96,000,000 bushels shipped for the entire year last year; so in other words, they need only to ship 43,000,000 bushels more in order to equal the same figure. From advices we get it appears that last year's record will be met.

There was no particular news otherwise. Canadian marketings were quite heavy again at 3,380,000 bushels, and some people lean to the belief that in view of the heavy movement from the country, possibly their crop was under-estimated.

Wheat clearances totaled 247,000 bushels, as compared with nothing a year ago, and the primary receipts of wheat were 1,245,000 bushels against 700,000 bushels last year. The carlot receipts, particularly in the Southwest, are running very well now-- nine points having received 689 cars, and the demand for cash wheat is also very good.

Taking the situation all thru we can see no great change that has occurred except possibly one of sentiment. The demand for American wheat is insufficient to stimulate any permanent buying. On the other hand, fresh hedges are not coming into this market, and it is mostly liquidation by longsthat causes the setbacks. We do feel, however, that immeasurable relief was furnished to the Southwest, and many farmers report additional sowing in Kansas, Texas and Oklahoma; this may finally reduce the acreage cut which was in prospect, but because of the low price we still are inclined to feel that possibly a 10% shrinkage from last year will take place.

Winnipeg continued to be the stronger market today- gaining slightly on Chicago. We have reason to think that with the Manitoba business going on daily that this should continue.

Corn and oats were rather inactive, and as heretofore they gave place to the leading cereal, which still dominates the speculative market.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 23rd, 1931.

Liverpool wheat cables were quite strong this morning, altho they yielded some before their session ended. The fact that their futures were only 5 or 6¢ over Chicago did not create a particularly bullish feeling and at one time values worked considerably lower than last night's close.

There had been pretty good rains again in many parts of Texas, including the Panhandle; it was also threatening in parts of Oklahoma and Kansas, which ought to be considered very good for further seeding. However, toward mid-session the Modern Miller circulated a report which was construed very bullish by the trade. They estimate acreage reduction at 16.4%, and this was the cause for considerable reinstatement of lines that had recently been sold and much bullish enthusiasm. We, ourselves, do not think that the acreage reduction is this great, but time alone will tell. Meantime, it has caused sentiment to become quite bullish.

Canadian marketings were quite large again at 3,200,000 bushels. The way we now figure it, the total marketings up to the present time are 116,000,000 bushels, and assuming that for the remainder of the month Canada markets about the same as heretofore, there would be a total of 137,000,000 bushels. Now, everybody knows that 55,000,000 bushels are always used on the farms , and since the Government estimated their crop at 246,000,000 bushels, there would remain only 54,000,000 bushels to come forward from farms after November 1st, or for the remaining nine months. This would be at the rate of only 6,000,000 bushels per month, and inclines us to the belief that the crop up there must have been under-estimated.

Primary receipts today were quite large again- 1,422,000 bushels against 670,000 bushels last year. Reports of a large export business are probably correct; in some quarters it was stated that the Farm Board was a heavy seller, which of course is difficult to confirm.

Coarse grains were able to drive a sympathetic effect from the great strength in wheat, and also closed higher.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 24, 1931.

Liverpool wheat cables were somewhat unresponsive to the sharp advance which had taken place in North America yesterday; their price for May wheat was only about 4¢ over Chicago, which is a story all in itself, and hardly requires the word "export" to be mentioned. The other news overnight, however, circulated in the newspapers, calling attention to the sensational advance and to the Farm Board's sale of wheat seems to have had its influence and brought in additional buyers this morning. We do not keep the Farm Board's books, but from some of their previous statements, assume that in accordance with their statement that 5,000,000 bushels would be sold each month, possibly yesterday's sale was towards this quota. They are also due for a statement sometime next week, giving their exact holdings at the present time. Inasmuch as there had never been a definite statement of the size of their holdings at the peak, it is somewhat difficult to guess now, but we figure roughly that they must have carried over into this present crop about 254,000,000 bushels; assuming that they have sold 50,000,000 bushels to foreign Governments and their 5,000,000 bushels each month since July, then they still ought to have in the neighborhood of 175,000,000 bushels still on hand, which is ample for all purposes.

In spite of heavy acreage reduction in Australia, where the crop will be considerably less than last year, Broomhall says now that the estimate is for 176,000,000 bushels, which is about 20,000,000 bushels more than the average for the past five years, and therefore a good crop.

All these factors, however, are momentarily forgotten while speculation is featured with hysteria, and of course a condition such as we have had for the last two days might carry on for a few days more. We are always firmly convinced that in the final analysis fundamentals are the important thing. Stocks at Minneapolis, Kansas City and Duluth show a net decrease of 419,000 bushels. We are not looking for an extremely heavy decrease in the visible supply on Monday, and with the primary receipts now running about double of last year, think that the advance in price will even bring on greater offerings from the country.

Other grains derived strength again from the leading cereal, and the actual news in corn, rye and oats counted for very little.

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Oct. 26th, 1931.

Liverpool wheat cables this morning showed practically no response to the additional excitement that occurred in North American markets at the close of last week. With their May wheat only 3 to 44¢ over ours naturally nobody can do much export business except the Farm Board, where prices do not cut much figure. What in our opinion had happened on a large scale, was that the entire country had gone wheat-minded. Many commission houses who could not find much attraction in the purchase of stocks, despite very low levels, had been recommending the buying of wheat, and this apparently had taken place on a large scale; some of the frenzied buying on Saturday had carried values up almost 6¢ in forty-eight hours.

We are always mindful that speculation is a big factor, but behind it all fundamentals must be right. The visible supply today decreased about 2,000,000 bushels, and is still 225,000,000 bushels against less than 200,000,000 bushels at the same time last year. There is also about 32,000,000 bushels of American wheat in Canadian ports, compared to about 5,000,000 bushels a year ago. The Government has issued its export statement up to the close of September, and total clearances are 40,000,000 bushels compared to 59,000,000 bushels last year. Of the 40,000,000 bushels shipped, however, we figure that over 15,000,000 bushels are still in Canada awaiting orders, and therefore the actual business since our crop year started was on a very small scale. Our conclusion is drawn from the fact that on July 3rd there were only 15,000,000 bushels of American wheat in Canadian ports, and this has risen to about 32,000,000 bushels at the present time. It was thought that the Farm Board would come out with its statement, showing total stocks held in all positions. They say, however, that this figure will not be revealed at the present time. Our own guess, is that even after deducting the Brazilian, German and Chinese sales, and further deducting other monthly displacements, that there must still be on hand about 175,000,000 bushels.

The primary movement continues large- 2,352,000 bushels of wheat today in receipts against 1,622,000 bushels last year. Carlots at nine points showed 1,655 cars, which is big.

Our contention still is that if better prices are to come foreign demand for United States grain must improve. It is probably likely that there will be good reductions in acreages of 10 to 12%, but we are not inclined to believe the extravagant reports that various people have recently estimated.

Corn, oats and rye slumped somewhat and they lost some of their strength, due to profit taking also, but the fact that wheat could not hold somewhat discouraged bullish sentiment in the smaller grains.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 27th, 1931.

Liverpool wheat cables were somewhat higher this morning; their strength was not particularly surprising in view of the fact that their market had only been ruling about 4¢ over Chicago. Besides that, with the uncertainty over the election in Britain, exchange was also about 4 points lower, which accounts for part of the strength.

Our market in the early trade encountered a little profit-taking, and it was felt in many circles that the chances for legitimate export business were not very great, with Canadian wheat, exchange considered, cheaper. However, toward mid-session press reports had it that the Farm Board had sold 20,000,000 bushels of wheat to France, and altho definite confirmation is not available at this writing, nor the terms of the transaction, it is generally assumed that these negotiations between one of the French officials and the Farm Board had led to considerable business. This was practically the cause of the entire day's trend of the market with values pretty well up to the best figures. It still is our opinion that this will reduce the amount of business which other exporters can do, and the effect of it has already been slightly shown by Winnipeg not keeping pace with Chicago on the upturn.

There was also news recently about Russian cancellations, but our own agents on the other side do not confirm this talk.

In the division which Broomhall makes of North American shipments of wheat and flour, he shows that the United States cleared 5,213,000bushels and Canada 3,344,000 bushels. The primary movement keeps up quite well, and the advance in price is said to prove more attractive to the farmer; nine points reporting 634 cars of wheat received, and it shows up in the primaries as follows: 1,475,000 bushels wheat receipts against 1,030,000 bushels last year and shipments 1,068,000 compared with 892,000 bushels a year ago.

The chances are that with the fresh news again today, there will be added excitement until more is known, but we can see nothing to keep prices permanently on the up-grade from this level.

Corn, oats and rye showed a better tone; it was natural that some of their strength came from the advance in wheat, and from now on they will probably continue to be sympathetically affected.

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Oct. 28th, 1931.

Failure of Liverpool to fully follow the rather hectic advances which had taken place yesterday caused a somewhat easier feeling at the opening this morning. There was also a denial from Mr. Stone, at Washington, of any large trade having been consummated with the French Government whereby the Farm Board had either sold or contemplated the sale of 20,000,000 bushels, as had been reported yesterday.

Numerous commission houses who had been friendly to the market, considered that an advance of about 15¢ from the low point was sufficient upon which to advocate profit-taking, and due to such action the first recession occurred. There was steady buying, presumably for the same accounts who were committed to the long side, and when a report fromArgentine, indicated their market about 4 1/2¢ higher, fresh buying carried values to new high levels for a short period.

Taking the actual news as we have it now- it is reported that the French Government has no appropriation for the purchase of wheat, and that such information pertaining to its purchase is without foundation. They claim that merchants and millers in France have no knowledge of yesterday's reported business, and further pointed out that hard winter wheat is not particularly suitable for the needs of France. They also claim that Manitoba wheat is more likely to be purchased by millers to fill their requirements.

Other news of victory for Nationalist Party in England, which probably carried with it the hope for a protective tariff, should also tend to stimulate a somewhat better feeling in Liverpool, and if the terms are finally reached and also a preferential tariff is involked, then we would also expect that Winnipeg futures would gain on Chicago, as naturally England in her purchasing would give preference to her own colonies. There is no doubt but that European requirements will be as large, if not a little larger, than last year, but supplies everywhere do not yet form a basis, in our opinion, for a constantly rising market, and to this end we see no fundamental change in our previously expressed views.

Primary movement was more than normal- 1,618,000 bushels against 1,153,000 bushels last year. Carlot receipts at nine points were 662 cars. So far stocks at Kansas City, Duluth and Minneapolis show a net decrease of only 12,000 bushels. There seem to be daily clearances now, and quite a bit of this wheat no doubt constitutes part of the Government contract with Brazil and other foreign nations.

Corn and oats were fairly strong, even when the wheat market had turned weak. We think that these cereals have intrinsic value, but will be somewhat affected by the action of the leading cereal.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 29th, 1931.

Liverpool wheat quotations were somewhat higher than due this morning, influenced partially by higher offerings from Russia, and also a lower exchange rate, which at 3.87 meant that Liverpool May wheat was less than 4¢ over Chicago. Our market had somewhat wild swings within a comparatively narrow range.

Russian shipments were 2,000,000 bushels, from the Danube about 2,300,000 bushels and Argentine estimates were about 1,600,000 bushels, all of which were somewhat better than expected. As far as Russia is concerned, they have already shipped now within about 40,000,000 bushels of their entire clearances for last year, and therefore, even a shrinkage from now on would not prove terribly important as a world's market factor.

What has really been going on in the market, as we see it, is a very enlarged speculative interest. Since the middle of October when the open interest was 96,000,000 bushels of wheat, it has risen until it now amounts to 118,000,000 bushels, or an increase of about 22,000,000 bushels. This represents largely speculators, who had been advised by commission houses of the great merit of wheat, but since the low point 30% has also been added to the price; therefore, it occurs to us that for the time being, at least, the price level is very debatable.

Bradstreets' clearances for this week are 8,470,000 bushels, or about the same as last week, and just a trifle less than last year. Total shipments from North America since July 1st are 42,000,000 bushels less, and while there will no doubt be a big demand all season, we think that with Canadian funds remaining at 10% discount, Canada not only for monetary reasons, but quality also considered, will do the lion's share of the business. There has already been a slight improvement between Winnipeg and Chicago prices, reflecting the betterment in Canadian demand, and Canadian marketings today are down to 2,400,000 bushels, showing a slightly smaller country movement, which we have expected.

The carrying charge between December and May seems to be established now around 5¢, and with the price higher and money rates firm, being considerably greater than last summer, one might reasonably expect another cent widening depending somewhat upon final deliveries.

Corn was helped today by some of the talent which recently was inspired to trade mainly in wheat. The yellow cereal, however, appears to have merit, and with a possible holding tendency by the farmer, with feeding operations on a more profitable basis, we would not be surprised to see still better prices finally.

Oats also look cheap and look attractive.

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FORT WORTH GRAIN AND COTTON EX.

Oct. 31st, 1931.

Liverpool was quite strong this morning; the same factors which brought about the advances thus far still are paramount in the minds of the American public. Added to this, there were very sensational headlines about wheat going for export, and as one read down the column the article spoke of less wheat coming from Russia onward from this period, all of which was confirmed and re-hashed during today's session. We have no doubt but that the shortage in the Russian crop, as compared with earlier estimates, will mean that European requirements will be filled elsewhere; whether that shortage is sufficiently large to actually be a market factor , we doubt very much, but the first influence should be on Winnipeg, where prices are ruling so much under American parity, Canadian exchange considered. This being the case, we continue to look for an improvement in Winnipeg values as compared to Chicago.

There is no doubt but that seeding operations in the Southwest, particularly in Kansas, have not had a very good start. There are still a great many dry areas, and this tends also to create a better speculative demand- many people believing that 65¢ for May wheat is not a particularly high level. However, it must still be borne in mind that the factors which originally put the wheat market below the 50¢ level are not entirely dispensed with; the reduction in acreage of winter wheat is still prospective, the hope for a better American demand is also more theory than fact at this time- the burdensome supplies, however still remain, and after an advance of practically 20¢ we would continue to advise great caution, even taking into consideration that the speculative element is sitting in the saddle and might carry values somewhat further. The Southern Hemisphere makes good progress and Broomhall's Argentine agent indicates a possibility for even a better exportable surplus from that country than last year, despite acreage reduction.

All other cereals have been aided greatly by the strength in wheat. Should there be a setback now we think that they will also be temporarily affected in an adverse manner.

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Nov. 2nd, 1931.

Liverpool wheat cables were extremely strong today. The sterling exchange was very weak, and the decline in sterling possibly made 3/4 to 1¢ per bushel difference in the price, but even after taking this into consideration, Liverpool which had gained 3 1/4¢ would still have been very firm at 2 1/4¢ higher, exchanged considered. This naturally gave us a higher opening, and with very few exceptions the market was strong all during the session. The fact that newspapers quoted bullish interviews excites the outsiders, and with the prospect of making sharp quick profits, buying orders came into the pit all day, and at the present time it is considered less whether wheat is worth the money, than whether they are starting and continuing a bull movement based on inflation, etc. We saw in 1929 what happened in the stock market, where values for a time were disregarded, but in the end this is the foundation for every market, and therefore, it is well to consider the actual supply and demand situation.

As far as the United States is concerned, actual supplies are still very plentiful- the visible supply decreased only 436,000 bushels, and the total is now almost 225,000,000 bushels compared with about 198,000,000 bushels last year. Furthermore, there are about 32,000,000 bushels United States wheat in Canada, which ought to be added, making the total about 257,000,000 bushels, not figuring any of the wheat West of the Rockies. Last year Canada had only a very small quantity of American wheat- hardly worthwhile mentioning; never before in the history of the trade was there that much wheat in sight at this period of the year.

As far as Canada is concerned, the Government made the crop in the three Provinces 246,000,000 bushels, and up to October 30th farmers' deliveries were 134,000,000 bushels, 55,000,000 bushels are usually consumed at home for seed and feed, making a total of 189,000,000 bushels, and would leave only 57,000,000 bushels of wheat left in farmers' hands; to this ought to be added perhaps 20,000,000 bushels which were carried over last year, but probably a smaller quantity will be carried over this year. Deliveries again were about 2,500,000 bushels, same as on Saturday, so unless the crop was under-estimated there would be only 52,000,000 bushels of wheat left in farmers' hands to be marketed from now until the first of August, or in nine months. One can hardly believe that we shall hage such a falling-off in farmers' deliveries; therefore, we assume that the crop had been under-estimated, and some Canadian authorities concur in this view and think the Canadian crop was about 25,000,000 bushels larger than the estimate.

Russia shipped so far 20,000,000 bushels more than last year. In order to ship as much as last year they would have to ship from now on only about 40,000,000 bushels; from present reports chances are they will not do this, but nobody can be sure about Russia. However, if they do ship any less, do not think the quantity will be enough to change the world's situation.

As for England, they are buying very heavily expecting a protective tariff, and the assumption is that they have larger quantities of wheat thanusual at this time of the year.

So far theworld's importing nations have purchased 6,000,000 bushels more wheat than last season, so there is no indication that the demand will be very much heavier than in previous years. Much will depend upon the outcome of the crops in Argentina and Australia. Just at the present time prospects are so good that they could not improve very much, and if they should materialize Argentina may have as large a quantity of wheat for export as last year, and possibly of better quality. Australia will have probably 30 to 50,000,000 bushels less to spare.

Regarding the new crop here, there is no question that there is a very decided reduction in acreages. On the other hand, we had almost a crop failure in the spring wheat territory and a very poor crop in Canada, and these countries might produce very much more. Russia will undoubtedly increase its acreage again. It had a poor crop this year, but might do better next year; so there is nothing much in the situation yet to boost prices on that theory.

Altogether, we feel that we are entering a great speculative market, and we know what markets can do at such times; but it will reach a point where buyers will be filled up and where it will be just as difficult to sell as it is now to buy. Therefore, great caution is advisable.

Corn, oats, and rye all benefited somewhat from the strength in wheat, but only in a limited way.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 3rd, 1931.

Liverpool fluctuations were quite extraordinary today; some buying orders at the opening were executed at about 6¢ over last night's close, after which their market declined- closing about 4¢ lower than the top, but still over 2¢ higher than last night, while we closed about 1¢ lower. This almost reminds one of war markets, but while we are profoundly at peace extraordinary things are happening in the world, and wheat prices are not solely influenced by conditions inherent in that cereal. For instance, fluctuations in sterling exchange are quite a factor. A great many people who are bearish on sterling exchange bought wheat in England, because of course as sterling declines the price of wheat advances. The same is taking place in other commodities. Then again, purchases are made because the feeling is very general that there will be a heavy duty imposed on wheat. The consequence is that England has purchased extremely large quantities of wheat, and one of our correspondents writes us that it is difficult to obtain storage room. This naturally gives the market artificial support, because as soon as Sterling readjusts itself and the matter of duty is out of the way, England will be a smaller buyer than it would be otherwise.

News from Russia is still very contradictory; for instance, there were reports today that some of the cancellations of steamers are due to the fact that transportation has not been able to keep pace with the movement, and there is no scarcity of supplies. Of course, it is always very difficult to get accurate information from Russia.

Primary receipts here are keeping up very well- 1,428,000 bushels; no comparison can be made with last year when there was a holiday. Clearances are light, amounting to only 61,000 bushels. In spite of the heavy demand which was being reported during the week, United States clearances were only 2,401,000 bushels, while those of Canada were 4,613,000 bushels; so Canada shipped almost twice as much as we did. Stocks at Kansas City, Duluth and Minneapolis so far this week show a small increase, foreshadowing a small decrease in the visible supply. Stocks of American wheat in Canada have been only slightly reduced, and are still 31,627,000 bushels. All this wheat can only go for export and must be moved sooner or later, naturally coming into competition with wheat which is being stored in this country.

While fluctuations in wheat have been quite severe, those in other cereals were only small, and for most part of the session corn, oats and rye showed more or less weakness.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 4th, 1931.

Liverpool wheat cables were quite weak at the outset, but later on they had a partial recovery, and the fact that sterling exchange fluctuates so rapidly is also being watched as a close factor; today sterling was 2 to 3 points higher.

The news, if anything, was slightly bearish this morning. Broomhall claiming that Germany was not buying any wheat at all; in fact, that country is selling now for export, and he also gave the United States exports since July 1st, which are less than 40,000,000 bushels compared to 63,000,000 bushels for the same period last year. This simply confirms to us, as we have mentioned right along, that the present market is not one of supply and demand, nor based on consumption, but simply follows the whims of speculators, which at the moment overshadow other considerations. There was presumably heavy buying by Eastern interests, and the fact that the market went up practically 3¢ from yesterday is in itself significant, showing how willing speculators are to buy.

The primary movement keeps up fairly well- 1,134,000 bushels of wheat in receipts against 1,996,000 bushels a year ago. Clearances today were 280,000 bushels against nothing a year ago.

It still occurs to us that while much of the speculation is on prospective factors, should the price remain high next spring the hope for a reduction in Canadian acreage and in our Northwest will show a very small shrinkage. So that really the only important factor so far is the somewhat lessened sowing which has taken place in winter wheat.

It is difficult to make immediate forecast, but we think that when any heavy selling comes into the pit, with shorts pretty well eliminated, it will not be very readily taken.

Corn and oats enjoyed a much broader speculation than heretofore. Many of the people who had been responsible for boosting wheat prices took an interest today in corn, oats and rye.

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Nov. 5th, 1931.

Liverpool wheat cables were very strong today, practically following our advance of yesterday, which gave us a strong opening. Liverpool may have been influenced by the much smaller Russian and Black Sea shipments this week, confirming the correctness of previous estimates; they amounted to only 2,632,000 bushels, compared with 4,384,000 bushels last week and 5,568,000 bushels last year. Assuming that importing requirements will be at least as much as last season, the conclusion naturally is that North America will be called upon for large quantities from now on. Of course, Australia and Argentine are starting to offer wheat which has not yet been harvested, and the outcome of these crops will play a very important part in shaping of prices.

However, it is not so much statistics which influence the market now; trading is on an enormous scale, the public is in it, and the market is on fire. Whenever there is a fever of this kind on nobody can tell how far markets will go, but finally there will be a readjustment to actual conditions.

In spiteof all that is being said, it must not be overlooked that United States probably has the largest quantity of wheat unsold it ever had at this period of the year, and we are way out of line for export. Liverpool is practically 4¢ higher than we are and Canada 3¢ lower, exchanges considered. Therefore, we still believe that purchases in those markets will show better results, whether we advance or decline.

Canadian marketings, considering the small crop, are very large at 2,375,000 bushels; in this country they are fair- 1,499,000 bushels compared with 1,346,000 bushels a year ago. Clearances are light- only 217,000 bushels from New York. Kansas City, Duluth and Minneapolis so far show an increase of 255,000 bushels for the week. Bradstreets' clearances of wheat and flour from all of North America this week were 7,633,000 bushels, which is smaller than last week, when they were 8,470,000 bushels and larger than last year when they were 6,851,000 bushels. So far the total shows only 116,000,000 bushels compared with 157,000,000 bushels last year, or 41,000,000 bushels less.

We think technically the market is overbought, and for the first time it looks to us as tho local traders are on the fence, or a little more inclined to the bear side. The outsider continues with his bullishness, but it is very seldom that he gets away with much profit as he never sells in an advancing market. We, therefore, consider great caution is required on the buying side.

Corn, oats and rye all sympathised with the advance in wheat, and we consider that there is much more foundation for a bull market in corn than there is in wheat. Primary receipts were only 402,000 bushels compared with 889,000 bushels last year.

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Nov. 6th, 1931.

Liverpool wheat cables were very weak today; Sterling exchange was stronger which made about 1¢ per bushel difference in the price of wheat, but at one time their market had declined 3¢ a bushel, which naturally caused a very weak opening here. However, the extreme decline did not hold very long, and this in spite of the fact that the news generally was more bearish than of late. There were some reports from abroad indicating that Russia had again started chartering for December, and some wheat was also reported to be sold to Greece. The United Kingdom's stocks of wheat and flour on November 1st were 28,960,000 bushels compared with 9,960,000 bushels last year, or 19,000,000 bushels more, showing that England has accumulated a great deal of wheat in anticipation of the tariff; of course, this will be at the expense of shipments later on.

Clearances were light today- New York allone clearing 2,000 bushels. Kansas City, Duluth and Minneapolis stocks increased so far this week 60,000 bushels, so we do not believe there will be any great change in the visible supply on Monday. Canadian marketings were 2,359,000 bushels, and if we allow for the ordinary amount of wheat which is left in farmers' hands for seed, feed, etc., there would be only about 41,000,000 bushels to be marketed, assuming the Canadian Government report was correct. Therefore, it looks to us as if the crop must have been under-estimated; otherwise farmers' deliveries for 20 days, such as we are having at the present time, would exhaust the crop, with allmost eight months to go. Primary receipts were light today- 920,000 bushels against 1,021,000 bushels last year.

Later in the day a wire was received from Liberal, Kansas, stating that they had a dust storm there, and as the condition in one-third of Kansas is entirely too dry, it set the market on fire.

Canadian moisture condition is not exactly bad, and according to Sanford Evans the average precipitation in the Canadian Provinces during September and October from the 13 important points was as follows: Normal 2.44 inches, this year 2,58 inches, last year 3.30 inches, 1929, 1.83 inches, and in 1928, 0.88 inch.

The speculative fever is still very great, and the market practically closed at the top. We are apparently running away from the consumptive markets. At the close today Liverpool wheat is only about 2¢ over ours, exchange considered, Argentine futures are about 14¢ lower than ours, and Winnipeg wheat, exchange and quality considered, is about 7 to 10¢ under ours; therefore, a readjustment is in order.

Corn, oats and rye which were weak when wheat was weak sympathised with the advances in that cereal and all closed considerably firm.

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Sat. Nov. 7th, 1931.

Liverpool wheat cables were weak today- hardly any attention was paid to them. The bullish feeling on the curb last night had been so pronounced that our wheat market opened higher, in spite of the news from abroad, which must have been construed as bearish. The Australian surplus is now figured at about 140,000,000 bushels and Argentine probably will have 130,000,000 bushels for export. These two countries will come into competition with us very shortly- in about sixty days with actual shipments. In the meantime hedging sales and offerings will be made in anticipation of their crops being harvested. While we are confronted with this possibility- 60 days hence- we probably will have lost our prospects for export business in the meantime, inasmuch as Liverpool is only about 3¢ over us and Argentine futures about 15¢ under us. Of course, wheat has to be purchased from North America for importing requirements, but Canadian wheat, exchange considered, is about 3¢ or 4¢ lower than ours, and taking quality also into consideration, from 7 to 10¢ per bushel under us.

Under these circumstances, the prospects right now are that we shall never be able to get rid of the surplus raised for export on this crop, unless the Farm Board should make some more deals with foreign Governments, and we predict that in all likelihood if nothing unforeseen happens our carryover on July 1st, 1932 will be larger than it was this year, and might be as much as 350,000,000 bushels to 400,000,000 bushels. It is of course possible that we shall raise a very poor crop and that these large holdings might be very desirable, but many things can happen during the next nine months before the crops are harvested; the spring wheat crops, while not yet sown, are bound to be larger than last year when there was a crop failure.

In the meantime, we fully appreciate that we are not in for normal markets just now, but that we have to deal with speculative conditions. With silver and other commodities rising, the public is inflamed. However, these features make part of the market and therefore we may possibly have some more advances. The cautious bull will have to consider that there is hardly any short interest in the market, and if any of the large accumulated lines should come on the market, the drops might come very fast.

The real bullish news today came in the shape of rye. It was claimed that Germany had been buying all the available supplies on the Continent, and it was also claimed that there was a large quantity of rye sold for export- figures as high as 1,000,000 bushels were mentioned, but not confirmed and no particulars given. Should the sales be as large as claimed, the rye would all have to be shipped from Canada and not from here, as their market is about 10¢ cheaper than ours. The daily news was not very interesting. Kansas City, Duluth and Minneapolis stocks decreased 30,000 bushels so far this week, indicating a small decrease in the visible supply. Wheat clearances are 283,000 bushels against none last year. Primary receipts of wheat 1,100,000 bushels versus 1,155,000 bushels last year. The movement in the Southwest is quite good, offsetting the very poor movement in the northwest. There were registered for cancellation 20,000 bushels wheat.

The surprising thing is the large marketings by Canadian farmers; those of today amounting to 2,536,000 bushels; if they keep up at this rate for only sixteen days there would not be a bushel of wheat left from this year's crop in the three Provindes, providing the crop had not been under-estimated, and there is only one logical conclusion-- that the Canadian crop was much larger than the last Government figures. Anyhow from now on hedging sales in Canada ought to be very small, amd as the wheat is taken out hedges will be removed and Canada ought to be the stronger market.

Rye was extremely strong for reasons mentioned above, oats were indifferent and corn closed higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Nov. 9, 1931.

Liverpool wheat cables were weak today, so was the feeling after the close on Saturday; therefore, our opening was at considerably lower prices. However, there is a general feeling in the trade now that all commodity prices should advance- some of them believing in this theory on account of better silver prices; others on account of inflation, and the third class hopes that the Chinese-Japanese War, with possible involvement of Russia, will do the trick. It is only the grain man who has seen so many pit falls who is more conservative and watches the special conditions as affecting wheat supplies. While it is perfectly true that in making wheat prices half a dozen or a dozen things have to be considered- like speculation, money rates, the stock market and the above enumerated factors, after all supply and demand will in the end be the dominating influence. We saw during the war when we certainly had great inflation when practically ninety-nine out of one hundred articles advanced, coffee declined, because consumption was extraordinarily small as the middle states in Europe could not buy any. So we continue to base our opinion largely on the wheat situation- not forgetting, however, that temporarily the other factors will partially make the price, but not in the end.

The strength today was chiefly caused by a rumor that China had actually declared war on Japan, which was later denied.

We heard of hardly any export sales today, and our reports from Galveston, where we have some wheat to sell, were that there were no bids whatsoever in the market. Canadian farmers' deliveries were again heavy- 2,400,000 bushels. There were supposed to have been only 43,000,000 bushels of new crop wheat left in farmers' hands last Friday, since which time 5,000,000 bushels have been shipped, reducing the quantity in farmers' hands, on basis of last Government report in the three Provinces, to 38,000,000 bushels. Nobody believes that this is correct, and therefore it looks as if the Canadian crop had been very largely underestimated.

t one time today Chicago and Liverpool December wheat were selling at about the same price- something which has hardly ever happened, except perhaps last year when the Farm Board stabilized prices and when we were on an entirely artificial basis.

Primary receipts were quite large- 2,273,000 bushels compared with ,720,000 bushels last year. There were 594,000 bushels cleared. The increase in the visible supply this time of the year is rather surprisingly and the visible is now about 28,000,000 bushels more than last year, and perhaps there are 28,000,000 bushels more merican wheat in Canada.

After having made new high records wheat closed a little lower than Saturday. There is more resistance to advances now, but the trade s enormous and it is difficult to predict from minute to minute what will happen.

It is well to remember by those who lay too much stress on the possibility of an Eastern War, that the last Russian-Japanese War declaration took place on February 8, 1904; May wheat sold at that time at 94¢, and on April 8th, or two months afterwards, it sold practically at the same price- 94 1/4¢. On September 5th, 1905, when peace was declared, the price was 84 1/2. Of course, we do not mean to lay too much stress on this, because no doubt the market was affected by a number of other conditions, but it has been our experience that a War between two Continental nations s a rule has not much effect on prices. It is wars when the seas are closed and when it is difficult to obtain supplies that the trade becomes inflamed.

Rye had a market all by itself- advancing at one time 4¢ per bushel but losing part of it later in sympathy with wheat. Oats were also independently strong, closing higher. Corn owing to larger receipts did not have the same strength as heretofore.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 10th, 1931.

Wheat cables from abroad were reasonably strong; sterling exchange was also a trifle higher, but this had little effect upon our market at the opening this morning. Speculative interest became somewhat scared on account of the pyramiding which had taken place lately and yesterday's sharp decline removed some of their courage. For a while this morning prices held fairly steady until liquidation started on a heavy scale; as soon as this occurred prices seemed to go down about as easily as they had recently advanced. It has been our experience that commodities can appreciate up to a certain point, even if prices are not justified at a time when the whole country becomes imbued with the idea that an article is cheap, but after grains reach a certain point they have to go into consumption, or else the higher levels cannot be sustained.

It is interesting to note that in Broomhall's subdivision of exports last week, the United States shipped only 3,431,000 bushels while Canada furnished 7,091,000 bushels. Looking now for a little longer period at exports, and taking Broomhall's figures on North American shipments, we find that so far up to about November 9th, we have fallen way behind other seasons. This year we exported 123,906,000 bushels of wheat and flour, and exports to 1925 inclusive were as follows:

1930 - 165,330,000 bushels
1929 - 125,152,000 "
1928 - 218,624,000 "
1927 - 191,302,000 "
1926 - 191,570,000 "
1925 - 135,006,000 "

The general news of the day had very little influence; in most cases it was simply a question of numerous bulls taking profits, while the short interest was so small that buyers could only be found on recessions.

The Southwest could still use copious rains, but so far there have only been a few scattered showers.

We think the reaction was bound to come, and it now remains to be seen whether Europe and ex-European countries will become more active buyers.

Corn, oats and rye also appeared to be in an overbought condition, and liquidation was a feature in these cereals, with support also lacking except on breaks.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 12, 1931.

Liverpool cables were very weak yesterday while we were not in session, and today they were still lower. This despite the fact that Broomhall confirms some damage to the Argentine crop on account of frost. It is as yet impossible to obtain accurate information as to the extent of this damage. The Buenos Aires market has gained somewhat on us lately, but not sufficiently to justify any great fear of deterioration in the crop prospects in the southern hemisphere.

The weakness abroad was particularly significant as sterling exchange also had declined a few points; and this leads us to the conclusion that England, always the largest importer, must have overbought in view of the impending prospect of a tariff on grains.

Heavier Russian shipments then anticipated were also a factor, and Danubian shipments were quite large; in fact, we think shipments from that quarter up to the present time are about the largest since 1914, at the beginning of the war. The total Russian and Danubian exports amounted to 4,344,000 bushels compared with only 2,632,000 bushels last week. However, this was only a trifle more than half as much as last year, when they were 8,184,000 bushels. We believe the Danubian shipments are partly due to a bonus which is paid by some of the Balkan States, and we do not think this will last very long.

Before we can get back to normal conditions, our stocks must be reduced much faster than they have been so far, and this can be done only through heavier exports. With Liverpool wheat only 3 1/4¢ over our market and Canada under us, prospects for the immediate future are not very good.

To show how the situation at present differs from that of previous years, when we consumed and exported yearly practically our entire crops thus entering each new crop year unhampered by the task of disposing of previous seasons' surpluses, we wish to point out the visible supply of wheat for the past ten years on July 1st, as follows:

1922 - 17,000,000 bushels
1923 - 25,000,000 "
1924 - 34,000,000 "
1925 - 26,000,000 "
1926 - 12,000,000 "
1927 - 22,000,000 "
1928 - 38,000,000 "
1929 - 92,000,000 "
1930 -107,000,000 "
1931 -187,000,000 "

Last Monday it was 226,000,000 bushels, and a year ago at this period it was 198,000,000 bushels. If we were to prepare statistics of present total world's supplies as compared with previous periods, we should also record a similarly poor showing.

11-12-31

Primary receipts today were 1,897,000 bushels wheat compared with 879,000 last year. However, today's receipts are for two days and are therefore only fair, nothing particularly burdensome. There were registered for cancellation from public warehouses 331,000 bushels and it seems the farm board is shipping quite a good deal of wheat from public warehouses, which may affect the carrying charge between December and May. There were clearances from practically every important point today of United States wheat, amounting to 654,000 bushels. It looks to us, however, as if this were all farm board wheat probably on previous contracts, as we are out of line. Stocks at Kansas City, Duluth and Minneapolis so far show a decrease of 235,000 bushels. Canadian marketings for one day only, Tuesday, were 2,172,000 bushels.

Toward the last a report came from Winnipeg that the Dominion Census Bureau had revised its acreage report for the Prairie Provinces, and one of the leading houses there estimated a crop of 285,000,000 bushels, based on known facts on the new acreage. This, of course would be over 300,000,000 bushels for all of Canada, and is a bearish factor that heretofore had not been counted. We figured this way right along on account of heavy farmers' marketings to date.

Other grains suffered sympathetically with the weakness in wheat.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 13th, 1931.

Liverpool cables were very weak today, increasing the decline which took place on previous days, all despite weaker sterling exchange; and the total break abroad must have been easily 5¢ a bushel or more. The fact that we were reasonably steady here makes it certain that not much business could have been done overnight, and every day that we lose in the export business now is a severe loss, as the Argentine and Australian crops will come on the market before very long. Broomhall reports that cutting has commenced in the Northern part of Argentina, and it will be pretty general before the end of the month.

There are still doubts whether or not much damage has been done on account of frosts. On May 20th, 1931, the United States Weather Bureau reported heavy frosts and freezing temperatures over the northern and northwestern portions of Kansas, extending down as far as the central portion. Nevertheless, Kansas raised the largest crop on record, of 223,000,000 bushels.

There were also reports similar in tenor to those which have been received many times fromRussia, that the Soviet Government is in financial straits. Some consider that if anything should occur to upset the present administration in that country it would be considered very bullish. We believe, however, that Russia will continue to grow grain no matter what the status of her government, just as the farmers here in the United States would do regardless of political upheavals. However, the Russian news at one time boosted our prices considerably.

The full Canadian government report was issued today, of which only partial information had been received during the session yesterday. Crop estimates are raised 33,000,000 bushels, and we can now better explain the heavy farmers' marketings. They amounted today to 3,348,000 bushels, for Wednesday and Thursday. We figure that on the increased estimate, Canadian farmers will market about 65,000,000 bushels more on this crop, and we feel that under the circumstances the chief pressure is over and their futures ought to gain on ours.

With these new figures, we believe now that Canada will have an exportable surplus on this year's raisings of about 190,000,000 bushels. We estimate the United States will have an equal amount, so the total will be 380,000,000 bushels. Up to the present time North America has exported 132,000,000 bushels, leaving 248,000,000 bushels more to export for the next seven and a half months. It is not likely that our exports will be larger than they have been, consequently our carry-over in North America will be much the same or larger on July 31, 1932, than it was this season. This is not a very bullish picture, but we must present the facts as they are.

Weather in the southwest also continues to be watched very closely. There have been some very fair rains in some territories where badly needed, but the real drought territory has not yet had much moisture until today, when reports have come that rain is in sight at some points and just beginning at others.

Rye was comparatively strong, the Canadian government report on the quantity raised this year being construed as extremely bullish.

Corn and oats suffered from liquidating pressure.

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FORT WORTH GRAIN AND COTTON EX.

Sat. Nov. 14th, 1931.

Liverpool wheat cables showed another decline, and their steady weakness is a depressing factor, altho the breaks there were not quite as severe as they were here. In addition, there were good rains reported in Kansas. It is true that the very furthest part of the West has not been favored with precipitation, but yet the moisture situation has greatly improved on the whole.

At the close today wheat sold about 11¢ lower than the highest point last Monday, and this is an extraordinary readjustment in such a short time; this was practically all caused by genuine liquidation and not by short selling.

Gradually all the theories which have been given in justification of a big bull movement in wheat have been exploded. At first there was belief that Laval would make arrangements for France to buy 50,000,000 bushels. Then there was hope of another deal with the German government. Then there were hopes that a rising stock market and advance in silver prices would bring about inflation. Some based their optimism on a war between Japan and China. And lastly (and this was to us the most important factor) was the fact that a large part of Kansas, comprising from 5 to 10,000,000 acres, was extremely dry.

There is very little left now of all these theories which the trade had cherished. Kansas has had very good rains the last day or two; and while they are not anywhere near sufficient they undoubtedly will do much good and relieve the situation to some extent. Canada also has had some snows, with predictions of more.

Another blow was dealt the wheat price in the way of Canadian estimate raising the crop 33,000,000 bushels and giving the acreage as about the largest that had ever been planted.

This decline brought about some readjustment with foreign markets, altho not very much. /The greatest improvement has taken place in comparison with Argentina, which at one time sold 15¢ per bushel under our futures, and is now selling at only 6 or 7¢ under.

Winnipeg is still selling very much cheaper than us, but some improvement has taken place there, as well as at Liverpool; therefore, we think the market is on much more debatable ground. Of course, it is impossible to tell what will happen from day to day; sometimes when genuine liquidation starts commodities sell much below their intrinsic values, but as above mentioned, much water has been squeezed out already.

There were again registered for cancellation 310,000 bushels of wheat, which will reduce our stocks in Chicago considerably, Kansas City, Duluth and Minneapolis show a decrease so far of 598,000 bushels, and we look for a moderate decrease in the visible supply. Clearances were only 40,000 bushels- all at New Orleans. Primary receipts were fair at 1,074,000 bushels compared with 993,000 bushels last year. Premiums at Kansas City were very strong and millers, particularly from the Northwest, are anxious buyers right along for daily arrivals.

Rye, which also had been extensively bought, suffered quite severe losses during the week; so did oats and corn, but there is no such extravagant surplus in Coarse grains as there is in wheat.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 16th, 1931.

Liverpool wheat cables were extremely strong today, which was all the more surprising, as we had declined about 2¢ per bushel Saturday, and their quotations were expected to come very weak. There was not much information at hand to explain this better feeling abroad, except that their market had been declining for three or four days in succession and a reaction was due, and same was probably stimulated by heavier rains in Argentina and drought in Australia; In both of these countries, in the Southern hemisphere, they are reducing estimates on the exportable surplus. As far as the rains in Argentine are concerned, we do not consider them very serious unless they should continue for sometime. They are now in the same period as we would be from the middle of May to the 1st of June, and rains at this time of the year in our country would not do much harm, even in Texas, except possibly some to quality on the earliest reisings.

However, as we pointed out a day or two ago, wheat is now on debatable ground; it is difficult to bring about sharp bulges and hold them as long as supplies are so large. On the other hand, the price is so low that any adverse news brings about rallies.

The visible supply today was quite a surprise- increasing about 500,000 bushels, where a decrease had been expected; it must be taken into consideration that the increase was caused by inclusion of an elevator at Minneapolis which had been irregular for sometime. Nevertheless, the total is now 227,000,000 bushels, compared with 198,495,000 bushels last year; Canada also has about 25,000,000 bushels more American wheat than it had then. Canadian marketings are still very fair, and even after adding the 33,000,000 bushel raise in the latest Canadian crop estimate, there will be only about 59,000,000 bushels of wheat left in farmers' hand of this year's results. Therefore, Canada is in a much better position than we are; exchange considered their prices are much lower than ours, and they gained on us quite considerably today. However, this adjustment will continue for some time; and we believe that purchases of Winnipeg wheat against the sale of Chicago will prove profitable. Primary receipts today were pretty fair- 1,417,000 bushels compared with 1,145,000 bushels last year. Wheat clearances fair- 416,000 bushels. There were registered for cancellation 408,000 bushels, and Chicago stocks ought to decrease right along. It may interest the trade to hear that wheat and flour shipments up to date to Brazil amount to 3,608,000 bushels, so there is lots to be shipped yet on the 25,000,000 bushel barter.

Last year at just a little later period than this North American shipments commenced to fall off considerably; for instance, on

November	25th	they	were	3,135,000	bushels
December	2nd	"	"	8,300,229	"
"	9th	"	"	6,845,779	"
"	16th	"	"	4,021,051	"
"	23rd	"	"	4,963,838	"
"	30th	"	"	3,902,211	"

Without any question of a doubt they will be very much heavier this year and make up for some of the shortage existing at the present time in North American shipments for the first 4 1/2 months- being almost 40,000,000 bushels less than in 1930.

Coarse grains profited from the better feeling in wheat and they advanced sympathetically.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 17th, 1931.

Liverpool wheat cables for the second day came stronger than expected. Buenos Aires also continued to show firmness, and this naturally had a very bullish effect at our opening. There was no further news about the Southern Hemisphere; in fact, we are advised that so far rains and frosts have not done much damage. Here in this country we have had wonderful rains all over Texas and Oklahoma- some plades receiving as much as four inches; and while there is still a dry territory in the western part of Kansas, the outlook as a whole has greatly improved.

The market acted very strong during most of the session. Outsiders are very willing to continue making investments in wheat, and when a few shorts covered the market became very tight and advanced rapidly. However, looking further into the future one of the reasons why it is so difficult to maintain bulges on wheat now is the tremendously large stocks. Including Pacific Coast, the commercial supplies of wheat are now 242,750,000 bushels; and U. S. wheat in Canada 30,795,000bushels- a total of 273,545,000 bushels. This compares with commercial stocks last year of 210,998,000 bushels and U. S. wheat in Canada 4,633,000 bushels, or a little over 215,500,000 bushels- a difference of 58,000,000 bushels excess this year. It therefore requires very large exports for the coming 7 1/2 months to reduce our American stocks to what they were last season.

Primary receipts wheat were light- 848,000 bushels against 854,000 bushels last year. The recent rains in the Southwest may have something to do with this lighter movement. There were registered for cancellation 188,000 bushels wheat, and Chicago is losing wheat right along. Canadian marketings 1,433,000 bushels, which shows the first good decrease in some time. We believe this will continue and will finally make Winnipeg the strongest market.

Corn was extremely strong- receipts being very light, only 264,000 bushels compared with 753,000 bushels last year when the crop was much smaller. It shows that the farmers feel no anxiety about selling their corn, and we believe corn will be in a strong position right along.

Oats and rye sympathised with wheat, but showed independent strength also.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 18th, 1931.

Liverpool wheat cables were decidedly weak before our session opened and the decline continued there until the close, establishing quite a sharp break compared with yesterday. Argentine cables were also weak, and naturally traders were very discouraged, because even the biggest bull is aware of the fact that prices cannot be permanently advanced unless the incentive comes from abroad.

North America has raised for export, in our opinion, easily 380,000,000 bushels of wheat, forgetting for a moment the enormous carryowers. According to Bradstreets the total clearances of wheat up to date are only 133,000,000 bushels; consequently, 250,000,000 bushels more wheat must be disposed of within the next 7 1/2 months, or else the carryovers will again be in excess of 1931.

There is no indication as far as we can see that the world's requirements will be much larger than last season. So far Europe has taken since August 1st about 12,000,000 bushels less, and ex-European countries about 18,500,000 bushels more than last year. Ex-European countries, of course, included some of the wheat which has been shipped to Brazil and to China on account of special trades.

Again dividing North America, we find that the United States is not getting its share of the export business and that Canada is doing proportionately more; for instance, last week out of North American shipments of 9,000,000 bushels the United States shipped only 2,500,000 bushels and Canada 6,500,000 bushels- a very poor showing for the United States and figures only about 15% of the world's importations from the United States.

Kansas City, Duluth and Minneapolis stocks so far decreased for the week 1,229,000 bushels; the chief decrease came fromDuluth, and we presume that there will be some spring and Durum wheat shipped before the close of navigation, and we might have little larger decreases in the visible supply. Canadian marketings of wheat were only 931,000 bushels. This is the first time in a long while they have gone below 1,000,000 bushels. We believe they will be light from now on, and soon there will be more hedges taken out in Winnipeg than put on, and by that time Winnipeg will gain on us very heavily. Primary receipts of wheat were very light- being only 734,000 bushels compared with 1,463,000 bushels last year. Wheat clearances were heavy- 649,000 bushels

The market at one time during the session was very much depressed on account of a statement wired by Russell's News Agency from New York, claiming that the Farm Board's holdings of wheat as of September 1st were 194,000,000 bushels. From previous calculations we were under the impression that the 194,000,000 bushels was rather the amount of unsold wheat held by the Farm Board and that the amount of wheat which was sold to foreign governments and not yet shipped had been deducted. But we received no confirmation up to the present time, so do not know whether we are correct or not.

We repeat again that with the good rains in the Southwest the situation for the time being is less hopeful than it was, and we look for a rather draggy market.

Corn, oats and rye all sympathised with the decline in wheat. As far as corn is concerned, the primary movement is very small so far, and many points in the corn belt are selling corn to much better advantage to outside points than to Chicago. We think coarse grains are in a much better position to advance on any bullish news than wheat.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 19th, 1931.

Liverpool wheat cables were higher today when the trade had figured they should be lower after our break of yesterday. There was no explanation for the firmer feeling abroad, nor was there anything in the news to indicate any reason.

While Russian and Danubian shipments were considerably lighter than last year, this was expected and they were fair after all. Black Sea exports including 2,768,000 bushels fromRussia, were 3,616,000 bushels this week, cpmpared with 6,864,000 bushels last year. For the season up to date they compare about as follows:

	1931	1930
Russia	62,196,000 bu.	56,024,000 bu.
Danubian Provinces	24,208,000 "	9,638,000 "
Total - - - -	86,404,000 "	65,662,000 "

or 20,700,000 bushels more so far. From both places during the entire year of 1930 they were 108,534,000 bushels; it will require shipments of only 22,000,000 bushels more from the Black Sea to bring their exports up to last year.

The Farm Board's holdings of 194,000,000 bushels, exclusive of the wheat sold and not yet shipped, which was construed as bearish yesterday, was forgotten today. Based on these figures, we figure if the Farm Board continues to sell 5,000,000 bushels a month, starting the first of September, their holdings on July 1st, 1932, would be 144,000,000 bushels.

Last year our carryover, including the American wheat held in Canada, was about 330,000,000 bushels, and as it might easily be 350,000,000 bushels on July 1st, 1932, we figure there will be about 200,000,000 bushels of free wheat in the United States.

Official estimate from the German Government on the final outcome of its crop was over 160,000,000 bushels compared with 139,000,000 bushels last year, or about 20,000,000 bushels larger than last year. So both France and Germany will have more wheat this year than last, and this accounts for the fact that so far Europe has imported less wheat than last season.

Canadian exchange was very weak- selling at over 11% discount, which makes their wheat more attractive than ever, and we repeat again that we finally expect Winnipeg wheat to sell considerably above ours. Their marketings were again considerably smaller- 932,000 bushels and we expect a further dropping off before long.

Clearances were 191,000 bushels- all from New Orleans. Primary receipts were light- almost the smallest on this crop- only 660,000 bushels, and a little more than half of last year, when they were 1,183,000 bushels.

We believe the strength in corn was a great help to the advance in wheat prices. As far as corn is concerned, receipts were only 316,000 bushels, compared with 612,000 bushels last year, and offerings were also very light. This article is not burdened with such tremendous carryovers as wheat and has a great deal of merit.

Oats and rye also were strong and feel a little friendlier to same.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 20th, 1931.

Liverpool wheat cables were extremely weak today, being about 2¢ lower than due, and before our session opened this morning Liverpool December and our December were practically the same price, and their May was then only about 2¢ higher than ours; this of course has been to some extent corrected thru the break during the day, but nevertheless we are still way out of line. It must become clear to everyone that such a situation is untenable after almost five months of the crop year are gone. We cannot stay forever above an export basis as long as we have the largest amount in history of export wheat left in this country-- more of a readjustment is bound to come. Evidently Europe knows where to get its wheat without the United States, and there is only one solution-- that we must go down to foreign levels, freights and everything considered, unless they come up to ours, of which there are no signs yet. The weakness abroad is attributed to more generous offerings from Argentina, and as that country is also lower, we must conclude that the crop is getting along nicely.

The anticipated rains all over the Southwest, in fact all over the whole western country, have materialized, except there is still one part in the far Southwest which is still much too dry.

With very few interruptions the decline continued during the whole session, and the great weakness in stocks was an additional discouragement. After such breaks, of course, technically rallies are possible, but whoever watches our trend of thought thru our market letters, knows we never feel sure of any price level unless it is supported by actual or prospective cash demand.

Winnipeg market, as we predicted yesterday, gained on us considerably- partly on account of weaker Canadian exchange, but also partly on merit, and we think this will continue for some time. Their wheat is easily 5¢ too cheap compared to ours.

Wheat stocks at Kansas City, Minneapolis and Duluth so far this week decreased 1,055,000 bushels. This indicates but a small decrease in the visible supply on Monday. Primary receipts today were quite light again- 709,000 bushels of wheat, compared with 729,000 bushels last year. There were no clearances, and there were registered for cancellation only 3,000 bushels.

Corn, which ordinarily would have advanced on account of good rains which will probably delay the movement, declined in sympathy with wheat. Rye and oats shared the same fate.

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FORT WORTH GRAIN AND COTTON EX.

Sat Nov. 21st, 1931.

Liverpool wheat cables were strong today considering our great weakness yesterday; a very small part of their strength was due to the great weakness in sterling exchange, but as in this case, as in the future, on any sharp braaks here we do not expect that foreign markets will follow us entirely as they are so very low already At the close tonight Liverpool wheat is hardly 6¢ over our May wheat, and as we have pointed out repeatedly, in order to make wheat appear cheap to the grain man, as well as the speculator, the difference ought to be about 15¢.

News from Argentina and Australia was quite favorable. Broomhall estimates that the southern hemisphere might have in the neighborhood of 250,000,000 bushels for export. Argentina and Australia usually ship about 70% of their exportable surplus during the first six months, and should this be the case in 1932, they might average about 6,500,000 bushels a week. We believe it is safe to figure on 1,000,000 bushels of wheat from the Black Sea ports, 500,000 bushels from sundry countries; so that North America would have to furnish only 7 to 8,000,000 bushels of wheat a week to fill world's requirements, and this can easily be done without cutting into our carryovers.

Canadian marketings were light again today- 838,000 bushels, and their market gained on ours; this, as we have mentioned before many times, we think will continue for some time.

As far as Russian shipments are concerned, of which there was so much talk lately, we wish to point out that that country practically shipped no wheat from 1914 until last year. We observe that last season they also shipped the bulk of their wheat, like this season, by this time. We find that during the month of December they shipped only 7,000,000 bushels, in January 2,000,000 bushels, February 5,500,000 bushels, in March 6,000,000 bushels, but the next four months together only about 7,000,000 bushels. In other words, the chief movement is over at the close of navigation.

Primary receipts of wheat continue to be light- only 695,000 bushels compared with 725,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis showed a decrease of 1,309,000 bushels- the decrease is practically all at Duluth. Whether this wheat will be shipped via Canadian ports where it would disappear from the visible or whether it will reappear at Buffalo will influence our visible supply. There were registered for cancellation 331,000 bushels of wheat.

Corn and oats, as well as rye, were all rather strong in sympathy with wheat.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 23rd, 1931.

Liverpool wheat cables were higher at the opening, but they declined sharply during the session and showed great weakness at the close; this in spite of the fact that sterling exchange has declined very severely, and their May wheat is only about 5 1/2¢ higher than ours. It is difficult, under these circumstances, for the grain man to advise the purchase of May wheat here, with the positive knowledge that he is giving away so much at the start compared with Liverpool, Winnipeg and Argentine markets, all of which are considerably lower than ours. The fact that exchanges everywhere are so demoralized, also had a depressing effect. We had a cable from Copenhagen stating that owing to the unsettlement in the exchanges, business is not only difficult, but greater and greater efforts are being made to use more home-grown grains instead of importing from other countries; while these territories are not very important as importers, it is a sign of the times and conditions.

Furthermore, the statistical position remains quite unsatisfactory. World shipments were very light- only 13,743,000 bushels compared with 16,502,000 bushels last year; America's contribution was small- only 7,000,000 bushels against 7,500,000 bushels last season. This makes world shipments up to date 319,962,000 bushels versus 317,392,000 bushels a year ago, or practically the same. If we assume that they will continue to be more or less the same as last year when they mounted up to 784,000,000 bushels, there would be requirements for the remaining seven months and one week of only 465,000,000 bushels. Now assuming that Argentina and Australia have an exportable surplus together of 240,000,000 bushels, they could supply about 168,000,000 bushels, or 70% the first six months of the crop year; Russia and the Danubian Provinces we estimate might ship 30,000,000 bushels and sundry countries about 15,000,000 bushels, making a total of 213,000,000 bushels, which would leave about 252,000,000 bushels requirements from North America; this with about 140,000,000 bushels shipped already this year would make total requirements from North America of 392,000,000 bushels. This is approximately the quantity, within perhaps 20,000,000 bushels, which we think we have to export from the United States and Canada on this year's raising. If these estimates are correct, we would not reduce our carryovers much, and we would start on July 1st, 1932, almost the same as we did in 1931.

The Southwest was favored with very good rains over Sunday, and the dry territory has been reduced now to a minimum. There is no question but that our winter wheat acreage will be largely reduced; probabilities are that we will not have a repetition in the winter wheat belt of a bumper crop like last year, and the winter wheat yield also might easily be 150,000,000 bushels to 200,000,000 bushels less than in the past, but to offset that the spring wheat crop might easily be 100,000,000 bushels more, because there was an absolute crop failure this season- something that has not been seen in forty years. Canada had a very poor crop and might easily raise more, and so might Russia. So on statistics alone there is no reason for anybody to become bullish unless on the general ground that wheat might be underpriced; again as an offset to this is the generally bad business situation.

11-23-31

Canadian marketings were very light again for a Monday- only about 800,000 bushels, and we think there are not more than 55,000,000 bushels left in farmers' hands, which only come out gradually; therefore, Canada with its depreciated currency will do the bulk of the business from now on, and finally sell way above ours, in our opinion.

Primary receipts of wheat today were unexpectedly good- 1,522,000 bushels against only 683,000 bushels last year. There were cancellations for only 4,000 bushels and clearances are down to the small amount of 47,000,[illegible] bushels.

The visible supply shows a big decrease of 3,500,000 bushels, compared with about 500,000 bushels last year. The total is now about 25,000,000 bushels more than in 1930. There is also more wheat west of the Rockies and about 25,000,000 bushels more American wheat in Canadian ports than last season; consequently, about 50,000,000 bushels more wheat is in sight than there was then.

Corn, oats and rye all sympathised with wheat; this in spite of the fact that corn offerings are very light, receipts very moderate for the size of the crop, and premiums on corn continue to be very strong.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 24th, 1931.

Liverpool wheat cables were very colorless today and fluctuated very little; there was also no special news overnight, except that the Southwest reported further rains, and with the exception of a very small territory it can be stated now that the whole Southwest had sufficient moisture and made up for the deficiency which had existed for some time.

A strong opening was followed by a decline, but toward mid-session we had a very sharp advance caused by short covering, strength at Winnipeg and favorable construction of Chairman Stone's report of the Federal Farm Board, as wired from Washington. We, ourselves, could not come to any positive conclusion, and have to wait for further details. The Farm Board holdings as of November 1st are given as about 189,656,000 bushels. It is not disclosed whether this includes the wheat already sold to China and Brazil and not yet shipped; nor can we be positive about whether it includes futures purchased and not yet disposed of.

Canadian marketings have come down to 595,000 bushels. This ought to help the Winnipeg spread. There were no clearances today. They cancelled again 159,000 bushels of wheat here in Chicago, which will reduce the stocks further. Primary receipts of wheat were 852,000 bushels compared with 483,000 bushels last year.

On the final outcome of prices we have not changed our opinion that barring crop failures, later on it will all depend upon the export situation and on the quantities of wheat which shall be disposed of abroad. For the present the outlook is very gloomy. From the latest report we received, English port stocks are about 19,000,000 bushels larger than last year, because they accumulated wheat in the hope of a higher tariff, and storage room there is much more scarce than wheat. Also some of the Continental ports are oversupplied.

The Liverpool May future is only 4 1/2¢ higher than ours, and anybody who buys wheat here instead of at Liverpool is giving away a great deal.

Of last week's exports of wheat, according to Broomhall, the United States shipped 3,235,000 bushels and Canada 3,783,000 bushels.

Corn was independently weak during most of the session, but when wheat advanced it regained some of its loss.

Oats and rye were much neglected and trade in same was small.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 25, 1931.

Wheat cables were extremely weak, both at Liverpool and Buenos Aires. Sterling exchange was a trifle better which accounts for a fraction of the weakness, but the great depression abroad is due chiefly to other causes. It looks to us as if the Argentine crop is coming along nicely, and their offerings abroad are commencing to be felt. The burden from that country will be more than usual for the size of the crop; to start with they have about 45,000,000 bushels to 50,000,000 bushels of old wheat left, and while it is partly of poor quality it can be mixed with new wheat. Furthermore, the outlet usually at this time of the year to Brazil, amounting during the twelve months period to 15,000,000 or 20,000,000 bushels, will not be existent this year, because the Farm Board is supplying Brazil with United States wheat, and therefore, more will be available for Europe. France is restricting importations with new laws, and every European country is harrassed on account of depreciated exchanges; some are too poor to buy wheat and some are economizing to the largest extent to help their exchange.

Under these circumstances we see nothing encouraging in the situation. We admit the price level is low, but actual conditions may not have discounted as yet all the bearishness in the situation. We would like to encourage a bull movement, as we all know that the farmer needs it badly and the whole country would benefit by it, but we have to look matters in the face.

When we look at the visible supply stocks in this country, we find as follows:

Commercial supplies of wheat now, which includes wheat west of the Rockies -------	242,848,000 bus.
United States wheat in Canada -------------	30,390,000 "
Total ---------	273,238,000 "

Compared with last year:

Commercial supplies ----------------------	209,276,000 bus.
United States' wheat in Canada -----------	4,712,000 "
Total --------	213,988,000 "

or approximately 60,000,000 bushels more wheat in these places than last year, and of course the farmers everywhere on account of their reluctance to sell have more wheat than last year same period, with the exception of the Northwest.

Clearances were again quite light- 189,000 bushels. Primary receipts are also very insignificant- 574,000 bushels compared with 503,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis so far show a decrease of 1,153,000 bushels, but this represents mostly wheat which is being shipped from Duluth and probably will reappear at Buffalo or at other places. Canadian marketings are only 657,000 bushels. Nevertheless, their market was very weak, showing that even they, altho much lower than we, cannot do much business abroad.

Old corn is selling at big premiums- about 3 1/2 to 4¢ over December. Receipts of corn are still very light considering the size of the crop, being much smaller than in 1930- only 431,000 bushels compared with 739,000 bushels last season. Nevertheless, corn, oats and rye all sold considerably lower in sympathy with the sister cereal.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 27th, 1931.

While we were closed yesterday Winnipeg was extremely weak, but Liverpool reasonably strong considering the Sterling decline. Today, however, Liverpool also showed extreme weakness, and this was all the more surprising, as Sterling declined further, being at about the lowest point since England went off the gold basis. To show the great weakness at Liverpool we need only point out that on present exchange, Liverpool May wheat is only about 3¢ higher than ours, which of course makes business absolutely unthinkable. Even if there were any business Canada would receive the preference- their wheat being so much cheaper than ours. During the session it was reported that Buenos Aires market declined about 5¢ per bushel, thus bringing another great competitor to the front, with a large crop now being harvested.

As wheat approaches the 50¢ level we would ordinarily think the bearish conditions in wheat would be discounted, but we are not so sure yet that the financial conditions are discounted. England generally takes about 35 to 40% of all the European requirements of wheat and flour, and as that country is in such bad financial condition she does not buy ahead liberally, which is bound to bring about extra depressed conditions. Furthermore, English millers are extraordinarily well supplied, having purchased very heavily in anticipation of a tariff, and so far duties have only been placed on a number of manufactured articles, and not on grain, so she is in a position to reduce her stocks to normal should she so desire.

Daily statistics, if anything, were rather more constructive. World's exports outside of North America were very small; Australia shipped only 327,000 bushels compared with 1,000,000 bushels last year, the Black Sea shipped only 2,488,000 bushels against 4,504,000 bushels last year, and Argentine shipped a trifle more than last season, but also small- 893,000 bushels versus 800,000 bushels a year ago. Canadian marketings were quite small- only 733,000 bushels, and they were also small yesterday. Primary receipts of wheat were 934,000 bushels compared with 827,000 bushels last year, and stocks at Duluth, Minneapolis and Kansas City decreased 1,742,000 bushels. There were no clearances.

Corn, oats and rye all sympathised with the weakness in wheat.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 28th, 1931.

Liverpool wheat cables were unchanged and about as due. Broomhall reports, business is still very difficult on account of depreciated exchanges; sterling was practically unchanged, hoovering around the low point. Australian crop seems to be coming along nicely and more will be heard from that quarter shortly. Business from the United States, of course, is impossible with all other exporting countries underselling us. Price, itself, is low and therefore caution is required. On the other hand, with no export demand, and with the public having suffered very severe losses so that they are not ready for another bull campaign, there is nothing bullish in the situation for the immediate future. Later on when we get crop scares the picture might change considerably.

Primary receipts of wheat today were very small, only 545,000 bushels; therefore no new pressure from that quarter. However, they were light last year also, and for the week the primary receipts were 4,327,000 bushels compared with 2,952,000 bushels last year. Stocks at Kansas City, Minneapolis and Duluth so far this week decreased 2,558,000 bushels, indicating a good decrease in the visible supply on Monday. Clearances were 480,000 bushels- probably the largest part of which were old farm board shipments, as it is impossible to sell any wheat just now abroad. Canadian marketings were 932,000 bushels- a little larger than lately, but the burden from there from now on will be extremely small, and we continue to think that Winnipeg will gain heavily on us.

There were frequent fluctuations, local traders being uncertain of their position, and at the close there was very little change compared with last night.

Corn receipts were still very light, 444,000 bushels against 566,000 bushels a year ago, and in spite of the much larger crop than last year, for the week they were 2,274,000 bushels, compared with 3,508,000 bushels in 1930. Should the commercial situation improve corn would be the first to benefit by it. In fact, all coarse grains are in a much better position than wheat, not being burdened with such heavy stocks.

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FORT WORTH GRAIN AND COTTON EX.

Nov. 30th, 1931.

Liverpool wheat cables were very strong today, advancing about 3 to 3 1/2¢ per bushel. However, a large part of it must be attributed to the decline in Sterling exchange, which went below $3.40, and also the fact that their wheat is practically the cheapest in the world and selling way below parity compared with the large exporting countries. However, with actual prices at Liverpool on basis of present exchange their May wheat is selling only about 1¢ higher than ours. It seems inconceivable to us that our market could permanently improve unless the incentive came from abroad. We, at least, could not advise anybody to make any purchases in this country when they can buy the same wheat so much cheaper on the Liverpool exchange.

Our visible supply is still very large and must be reduced more heavily before the constructive side of wheat can be taken with confidence. The decrease this week was only 1,568,000 bushels compared with 3,430,000 bushels last week and 2,446,000 bushels last year. We are practically within one week of close of navigation after which time it will be harder to get decreases; The visible supply now is 26,000,000 bushels larger than last season; Buffalo alone has 25,000,000 bushels, the largest share of which must sooner or later be exported, and for which at the present time there is no good outlook, as explained above.

Our total exports for the first four months of the year, which are usually the heaviest, are approximately 56,000,000 bushels, but there were imported into this country 6,750,000 bushels from Canada and ground into flour and included in the American exports; consequently, the net exports were only 50,000,000 bushels for four months, or at the rate of 150,000,000 bushels a year. We will be fortunate if we do as well the remainder of the year, which is not likely. This leads us to believe that our carryover stocks will again be larger in 1932 on the first of July than they were this July.

Today's wheat clearances were only 80,000 bushels. Primary receipts were light, 751,000 bushels versus 860,000 bushels last year. There were cancellations of wheat here of 76,000 bushels.

The fact that the market showed such great strength can only be due to sympathy with the strong stock market. We have pointed out repeatedly that outside of bearish wheat conditions, the demoralization in stocks gave it another great knock, and with this at least temporarily removed today the bulls were more hopeful.

The cash situation in the Southwest continues to remain very strong on account of the good demand from Northwest spring wheat millers, but the final wheat prices will be determined by the total amount of wheat which will have to be carried over and by the new crop prospects, and not by any local conditions. There was more precipitation in the Southwest, which is very beneficial for the wheat which has been put in the ground.

Corn, oats and rye all sympathised with the sister cereal and were considerably higher.

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FORT WORTH GRAIN AND COTTON EX.

Dec.1, 1931.

Cables were extremely weak today. They were due 1 to 2¢ higher and came actually 1 to 1 1/2¢ lower, exchange considered. Sterling declined about 10 points to the lowest yet recorded. Every five points decline in sterling exchange at present prices makes about a cent per bushel difference in wheat. The final result was that Liverpool is from 2 to 3¢ lower on their December wheat than we are and May wheat is about the same price as Chicago. This of course will preclude any export business whatsoever, and our very large stocks of wheat will have to be carried over for another year.

The United States visible supply is now almost 222,000,000 bushels, To show what it has been in years of scarcity when prices were high, we point out the smallest visible supplies on the following dates as mentioned:

1917	Aug	25	-	4,000,000 bu.
1918	June	15	-	1,000,000 "
1919	July	12	-	5,000,000 "
1920	July	17	-	16,000,000 "
1921	Aug.	2	-	8,000,000 "
1922	"	15	-	15,000,000 "

Our commercial supplies of wheat are now 237,000,000 bushels versus 205,618,000 bushels last year. This includes wheat west of the Rockies. United States wheat stored in Canadian markets amounts to 29,669,000 bushels against 4,790,000bushels last year.

Local statistics are, if anything, bullish. Primary receipts of wheat are extremely small, 384,000 bushels compared with 331,000 bushels last year. There were some heavy shipments again from Duluth before close of navigation and stocks at Duluth, Minneapolis and Kansas City so far have decreased 1,244,000 bushels. Clearances were very fair at 371,000 bushels. Canadian marketings 1,263,000 bushels.

Just to show how the United States is falling behind in exports, Broomhall's weekly division of wheat and flour shipments as of November 28th, showed 2,221,000 bushels from the United States but 5,974,000 bushels from Canada.

Our market opened very weak in consequence of the bearish foreign news, but recovered on rumors emanating from Berlin that Russia was a buyer of Australian wheat. We pay no attention to such gossip because England, of course, being so much nearer the scene, would know that sooner than we would; and as no attention was paid to it there it cannot be of any importance.

Later some very bullish estimates came out on the new crop. It was really a reiteration of what everybody knows: namely, that there would be a largely reduced acreage in winter wheat; but it is too early in our opinion to kill the crop yet. Furthermore, it has to be taken into consideration that the spring wheat in the Northwest had very poor crops last year and they may be considerably better this season. Nevertheless, we feel that whenever wheat declines to around 50¢ it is very cheap and therefore there is nothing much to be expected in the way of an extreme break. On the other hand, supplies are too large to play for a big bull movement; it will be better for the trade to wait until the time is ripe.

Coarse grains also were weak early, but recovered, responding to the strength in wheat.

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141 W. JACKSON BLVD.
CHICAGO

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

Dec. 2, 1931.

Early cables from Liverpool this morning were very strong, and this was due chiefly to a six point setback in sterling exchange, which sold at $3.25, or the lowest since the War. From that point, however, there was a substantial recovery and this in turn weakened the price abroad, with the result that quotations prevailing at the present time in Liverpool and based on the present rate of exchange, show a premium for their May wheat over Chicago, as against a discount last night. Even with such slight improvement, however, there is not much likelihood of foreign business, and with the Winnipeg market only about 5¢ over Chicago, Canada has a much better opportunity of reducing her stocks since the Canadian exchange remains at about a 13% discount, thus making the Canadian wheat relatively cheaper in European markets.

There had been some news yesterday about Russian purchases in Australia, but nothing further was heard, and it appears now that this was only a newspaper item, and merchants both on the Continent and in England pay very little attention to any possibility of such transactions.

It is interesting to note that deliveries of wheat at country elevators in Canada since August 1st amount to 174,847,000 bushels, and this compares with 227,179,000 bushels last year; inasmuch as the crop was about 100,000,000 bushels smaller, a part of this has already been made up, and we feel that from now on country deliveries will not be nearly as much of a burden as last season. Therefore, we continue to feel that the greatest opportunities are in purchasing Winnipeg wheat against sales in Chicago. At the present time there is no demand to speak of, even for Manitobas, so that with the lesser speculation in that market there may be opportunities of arbitraging to good advantage. Today's marketings, for instance, were 831,000 bushels, and after close of navigation we expect to find a material falling off.

Primary receipts were 695,000 bushels of wheat against 440,000 bushels, which is running slightly heavier. Total clearances today 184,000 bushels, which is not particularly large. Kansas City, Duluth and Minneapolis combined show a net decrease of 1,777,000 bushels- the bulk of which comes from Duluth shifting of stocks prior to close of navigation, and this will be a factor in next week's visible and the week after.

There is talk of possible support of the pound sterling, and if the British Government should decide to do this, it will lessen some of the nervousness which has prevailed due to exchange conditions. These wide fluctuations lately have amounted in some instances to as much as a day's advance or decline in wheat, and therefore, the trade has been somewhat emotional, causing the quick changes during the course of a day.

While we keep our eye around the 50¢ level for July wheat, with the idea of taking a bull position when that price is reached, economic conditions and large supplies prevent us from becoming enthusiastic on any sharp rally.

Corn strikes us as having more merit than wheat, and whenever a change comes in the leading cereal we think that coarse grains will come more into their own.

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DAILY MARKET LETTER

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December 3rd, 1931.

Cables from abroad were without much color; their apparent steadiness was somewhat offset by a lower sterling rate, and therefore had little influence upon the market. The overnight feeling because of the weakness in stocks was somewhat bearish and caused slight liquidation in the early dealings. This, however, was short-lived when it was reported again that Russia had bought a cargo or two of Australian wheat. We do not in any way doubt this, altho our own correspondents abroad have failed thus far to confirm. It is natural that a country geographically situated like Russia might find it cheaper to import in certain sections and export from others; Poland frequently does this when there is a sizable rye crop. The fact of the matter is that the Black Sea weekly shipments, as published today, including Russia, showed 2,000,000 bushels cleared. It is our opinion that as the winter months approach not much can be expected from that source. However, Argentina, Australia and Canada are offering their wheat more cheaply than we, and therefore the United States might share less when the foreign demand develops.

Bradstreets' clearances from North America are somewhat smaller this week- at 6,746,000 bushels, which compared with 9,575,000 bushels shipped last week and 8,300,000 bushels last year. Since the first of July there has been a total clearance amounting to 149,795,000 bushels against the corresponding period a year ago of 183,773,000 bushels.

The Canadian market seems to have been under pressure, but we continue to feel now that present country marketings, such as today at 757,000 bushels, will not be maintained, and consequently, adhere to our policy of advising purchases in Winnipeg against sales in Chicago. Furthermore, the Canadian exchange discount encourages such trades.

Primary receipts of wheat are very small today- only 370,000 bushels against 529,000 bushels last year. Shipments are also less than a year ago, being 731,000 bushels versus 978,000 bushels a year ago. Stocks at Kansas City, Minneapolis and Duluth together decreased 2,188,000 bushels.

Weather in the Southwest has been featured by moisture in scattered portions of Oklahoma and Kansas, and with the exception of the Western part of the latter state, we fail to hear of any bad reports on crop conditions. Furthermore, it appears to us somewhat early to assume crop-worry burdens at such an early date.

CORN acted independently weak, and speculators think that for the time being the downward tendency shows the least resistance. The primary receipts of corn are about half as big as last year.

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FORT WORTH GRAIN AND COTTON EX.

Dec. 4th, 1931.

Early quotations in Liverpool were fairly strong, corresponding to a break in Sterling exchange, but even the higher wheat quotation was not maintained at the last. Broomhall reports that Europan takings are below normal and at the present time buyers are acting very carefully. Taking Germany for instance; Berlin reports that the Government is covering the bulk of millers' requirements by its contracts of farm board wheat, and these are being handed out below shippers' prices. It is thought that the purchase in this country of 7,500,000 bushels will cover between November and July about one-third of Germany's requirements; therefore, not much demand can be expected in that direction. Taking economic conditions into account, with German bonds worse than ever, we feel that a very bad financial situation exists.

Almost every day reports come to us at variance about Russian conditions; some people claim that a few purchases were made in Australia, and others are quite as persistent in denials of this. But as we have pointed out in the past, whether the exports from Russia for the remainder of the year amount to 20,000,000 bushels additional wheat or 40,000,000 bushels, is not important in relation to the much greater problems of supply and demand.

We are cognizant of the fact that after the first of the year there will be a very good demand for wheat, but Canada will probably furnish 5,000,000 or 6,000,000 bushels weekly for export, which will cut the United States down to almost nothing, and therefore the chance for American prices advancing appears very slim to us. With Canadian currency more than 14% discount under us, their May wheat is about 4¢ cheaper than Chicago, and this, of course, cannot last. At the present time Canadian marketings are running in the neighborhood of 750,000, bushels daily, which makes us believe that their crop had again been under-estimated, and will probably turn out larger. We adhere to the thought that the very poor crop in Canada will probably not be duplicated again next year, considering the large acreage; nor will there be a as bad an outturn in our own spring wheat territory where this year a failure had occurred. In these two places there might be as much additional wheat grown to offset shrinkage in winter wheat, and possible reduction in the Southern Hemisphere; so on this point the bulls cannot score much enthusiasm.

There was talk on the ticker tape of possible preferential tariffs whereby England might effect trade agreements with her colonies. However, London advises us that despite this quota talk there is nothing definite. Millers and the trade generally oppose such a step and it would be a long time before anything actually would come of it- possibly not before next season. However, as stated before, the price itself is a preferential factor in making the Canadian wheat easily saleable while we sit quietly by.

Primary receipts of wheat were extremely light today, only 382,000 bushels versus 561,000 bushels last year. Clearances 224,000 bushels coming from New Orleans and Philadelphia, compared with nothing last year. So far the receipts at Kansas City, Minneapolis and Duluth have decreased 2,971,000 bushels. As we explained previously, this is mostly shifting of stocks prior to close of navigation.

Corn was weak and the trade feels bearish on this cereal.

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Sat. Dec. 5th, 1931.

A better feeling in the stock market encouraged by denials of some of the German rumors yesterday also lent strength to the wheat market. The Liverpool cables were not very much higher, and at the present time taking the $3.29 sterling rate, May wheat abroad is just about the same price as it is in Chicago, while December is actually at a discount. Every day the discount of Canadian exchange goes somewhat wider under the American dollar, and at the present rate of 15%, Canada will enjoy the export business which the United States is bound to lose.

It is interesting to note that the preliminary Argentine report, despite an acreage reduction of about 18%, and the various bad reports which were sent from that country on account of wet weather, shows a prospective crop of 218,000,000 bushels, which is only 20,000,000 bushels short of last year. This, according to Broomhall, will afford an exportable surplus of about 138,000,000 bushels, which together with 15,000,000 bushels remaining from the present crop, is quite substantial.

General conditions surrounding the wheat market, as we see them, show no change. Certain groups continue to play the bull side on the theory that a cut in winter wheat acreage will bring about better conditions next spring. Others, however, look at the extremely large supplies and the poor demand, which contention brings about the belief that even this low level is not yet tempting enough upon which to make purchases for permanent keeping. Our idea is that prices in Chicago remain too close to those in Liverpool. Stocks in the United Kingdon of wheat and flour are 29,500,000 bushels against about 14,000,000 bushels last year, which keeps them very comfortable. In some quarters it is said that a possible quota may be provided in Great Britain, not only to protect British agriculture, but to establish a better demand for Colonial wheat. Should anything of this kind occur next week, it should further widen the present premium of Winnipeg wheat over Chicago. Of course, nothing definite can be said on this point, and where politics are involved it might still take a long time even if such a resolution were put into force.

Primary receipts of wheat are a shade better today - 482,000 bushels compared with 451,000 bushels last year. Shipments are lighter- 379,000 bushels against 688,000 bushels last year. Stocks at Kansas City, Duluth and Minneapolis show a net decrease of 3,148,000 bushels, suggesting a pretty sizable decrease in next Monday's visible. Wheat clearances from United States were 8,000 bushels, all coming from Baltimore.

The strength in stocks might easily bring about bulges from time to time, but in our opinion, it will take much more foreign demand to maintain higher levels.

Coarse grains appear to us to have more merit than wheat. When the leading cereal finally assumes a better tone, other grains will probably be sympathetically affected.

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FORT WORTH GRAIN AND COTTON EX.

Dec..7th, 1931.

Despite smaller world shipments Liverpool was very weak this morning. The sharp break in sterling rate from the close on Saturday made the quotations relatively 2¢ lower than was expected. At this figure, quotations in Chicago were at a premium over the May delivery in Liverpool, and to any man in the grain trade it is considered unthinkable as a permanent factor.

A rather firm feeling in the stock market, evidenced with some higher prices, brought about comparatively firm wheat quotations, at the opening, and these were maintained quite well throut the session.

There is a little business being done out of Vancouver, possibly Oriental demand, and also a few lots of Manitobas, but freight brokers talk and write very discouragingly about the export situation, even for Manitobas, which are selling quite a bit under the price of American hard winters.

Toward mid-session the visible supply figures were published, showing a decrease of a little over 4,000,000 bushels for last week, and this compares with practically the same amount which stocks diminished last year, and is not particularly large, just prior to close of navigation. We are told that lots of wheat went to Erie, which is a non-visible point, accounting partially for the diminished figure, but as far as we can see stocks are still extremely large. The total visible is still 217,000,000 bushels which compares with 191,000,000 bushels last year, or 26,000,000 bushels more. Besides this, we still have about 29,000,000 bushels of Americam wheat which is stored in Canadian Bay ports against about 4,000,000 bushels last season. So in these two places there must be about 50,000,000 bushels more wheat than a year ago.

Primary receipts again lighter than last year- being 849,000 bushels compared with 1,299,000 bushels last year. Canadian marketings continue large- being 679,000 bushels. Clearances 318,000 bushels versus 64,000 a year ago.

As we view the situation there will be Argentine pressure before long. It is true, there has been a little more wet weather down there, which may affect the quality of grain, but in the long run experience has taught us that unless rains persist for a long period the quantity is not much ruined, so that with the fine quality of the Canadian wheat, European buyers will be able to mix the grains and apparently get along without any offerings from the United States.

Canadian funds continue at a big discount under American; today's rate is almost 16% discount under the American dollar, and naturally further inducements are afforded to anyone contemplating purchases of Canadian wheat. Therefore, it is our opinion, that anyone who buys Winnipeg and sells Chicago will still benefit most in spreading operations. Of course, if one could be sure that Sterling would not go up much, it would also be a fine spread to buy the Liverpool wheat and sell Chicago, as on the present exchange parity their market is too near the price of ours.

Trade in coarse grains is not particularly heavy nor impressive- many of the fluctuations come about in sympathy with that of the leading cereal.

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FORT WORTH GRAIN AND COTTON EX.

Dec. 8th, 1931.

Liverpool cables were extremely weak today, showing another decline of 3/4¢ per bushel, continuing to keep their price level under ours. No matter what excuses are given for this weakness abroad, and much as traders here in their desire to boost wheat prices try to ignore it, it is a highly important factor as long as this country has such a tremendous surplus to dispose of, and in our opinion, no correction in the wheat situation can take place until we meet our competitors and reduce our stocks. Of course, it is impossible at the present time to tell just how much of a burden we shall have to carry until the next crop, but one of our crop statisticians furnished the following figures on farm marketings the other day: This year 63.2% marketed up to the end of November, compared with 69.1% last year; this would mean in bushels there were marketed this year 558,000,000 bushels out of a crop of 884,000,000 bushels, or leaving on farms 326,000,000 bushels, less the amount fed. Last year 69.1% marketed on a crop of 863,000,000 bushels, or 596,000,000 bushels marketed, leaving 267,000,000 bushels, less what was fed. Now, there is nobody who can imagine that there was more fed this year than last year; consequently, there must be 59,000,000 bushels more on farms than at the same period in 1930. There are now 26,000,000 bushels more wheat in the visible and 26,000,000 bushels more United States wheat in Canada, or a total of 111,000,000 bushels. We presume there is less wheat in country elevators in the Northwest and more in the Southwest, about the same amounts are carried by millers, and if we are approximately right, there would be 111,000,000 bushels more wheat in the United States at the present time than last year at the same period; assuming that everything would be the same from now until the end of the year, our carryover would also be 111,000,000 bushels more, which added to 334,000,000 bushels we carried over, would make 445,000,000 bushels on July 1st,1932.

Now as far as exports are concerned, of course, miracles may happen, but if not, they will be extremely small, except what the farm board will ship; there was a moderate amount of exports last year also. So far all the importing countries, including the Orient, received from all exporting countries 344,000,000 bushels compared with 347,000,000 bushels last year, or practically the same, and there is no indication as yet that the importing requirements, with economies which are taking place in Europe, will be larger than last year.

Therefore, it behooves everybody who studies wheat values to figure out for himself what our exports will be for the next six months or so, and what our carryover will be. Should conditions be such from now on so that the United States carryover would be in the neighborhood of 400,000,000 bushels, all the possible good effects of the reduced acreage in the winter wheat belt would be lost, particularly as the spring wheat crop and the Canadian crop might be much larger than this year. If we should start with practically eight months consumption, not figuring the amount which would be required for seed, there is bound to be enough raised in this country to give us a low level of prices. Therefore, instead of trying to boost prices, it is more important to do everything to bring about increased consumption and sell some of our wheat before Argentine and Australia take the market away from us.

December 8, 1931

Last week's exports, according to Broomhall, from the United States were only 2,454,000 bushels, while the Canadian shipments were 4,676,000 bushels. Even at this rate United States would ship only at the rate of a little over 125,000,000 bushels a year.

Primary receipts of wheat today were very light, only 446,000 bushels, compared with 487,000 bushels last year, when they were also very small. Cancellations of wheat were 320,000 bushels. This will probably be the end of heavy cancellations as navigation is practically closed. Stocks at Minneapolis, Duluth, and Kansas City show a decrease so far of 155,000 bushels.

Canadian marketings were 714,000 bushels, and according to the latest crop estimate there would be only 44,000,000 bushels left in farmers' hands to be marketed. Therefore we believe that the estimate will have to be raised again.

During the session there were quite sharp fluctuations, market being very narrow. The close was somewhat lower, particularly for the July wheat, but we believe selling July wheat at the present price, with six months' carrying charges paid, is taking somewhat of a risk, as no doubt we will get our usual crop scares later on.

Corn kept comparatively firm, which is easily explained, as receipts are very light and it is evident that the farmer is not anxious to sell his crop at present levels except where he must.

Oats and rye had only narrow fluctuations.

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FORT WORTH GRAIN AND COTTON EX.

Dec. 9th, 1931

Liverpool cables were quite weak today, altho part of the decline could have been accounted for by an advance in the sterling exchange of about seven points; the strength in sterling was not lasting, however, and the close was only 3 or 4 points higher than yesterday.

As we have repeated many times before, while a half dozen factors influence the wheat market, like sympathetic effect with other grains, or with stocks and cotton, with the general business situation, and high and low rates of interest, the paramount question always is the amount of wheat which is raised and the amount of wheat which we will have to export. We, therefore, have been feeling bearish right along because we could not see sufficient demand to absorb the large quantity of wheat which was raised this year, not to speak of the big carryover. Our crop was estimated at 884,600,000 bushels, and we doubt if in the first five months, or up to the end of November, the net exports were more than 60,000,000 bushels. The prospects from now on are very slim, with Liverpool only 2 or 3¢ higher than we are, and with Canada, Argentina, as well as Australia, underselling us. We doubt if there was ever a year when on a crop of this size as little wheat was exported as is likely to be at the end of this crop year, except perhaps last season when the price of wheat was stabilized and held above parity for at least six months or so. We just point out previously large crops and the amounts which were exported in twelve months as follows:

Year	Crop	Exports (Including wheat ground in Bond)
1930	863,000,000 bus.	129,000,000 bus.
1928	914,000,000 "	161,000,000 "
1927	878,000,000 "	203,000,000 "
1924	864,000,000 "	258,000,000 "
1922	867,000,000 "	221,000,000 "
1919	967,000,000 "	219,000,000 "
1918	921,000,000 "	287,000,000 "
1915	1,025,000,000 "	243,000,000 "
1914	891,000,000 "	333,000,000 "

Bradstreet's clearances this week 6,469,000 bushels, practically the same as last week with the exception of a few hundred thousand bushels, but the total so far is 34,000,000 bushels less than last year.

Canadian marketings are getting less, only 604,000 bushels of wheat, and soon there will be more hedges taken off that market than put on. Primary receipts of wheat are light today-535,000 bushels compared with 580,000 bushels last year. There were no clearances except at Galveston where, however, they were big 538,000 bushels. Stocks at Duluth, Kansas City and Minneapolis decreased so far this week 545,000 bushels.

In sympathy with the declining stock market there was continued liquidation, and prices closed practically at the bottom, with no immediate recovery in sight. We consider July wheat has by far greater merits, as the price includes six months' carrying charges and much may happen between now and the time the new crop will be harvested.

Corn receipts were very light again - only 477,000 bushels compared with 1,443,000 bushels last year; nevertheless in sympathy with wheat corn also declined.

Rye and oats also showed great weakness.

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FORT WORTH GRAIN AND COTTON EX.

Dec. 10th, 1931.

Liverpool cables showed less decline this morning than Chicago did yesterday, but they were plenty weak enough. Their December is selling either lower than ours, or at about the same price, and their May wheat only a couple of cents higher. It is time enough to pay attention to cables when Liverpool is 5 to 10¢ higher than we are and when there is even a remote chance of doing export business; every day which is lost now and we do not export United States wheat in large quantities, is of importance because unless the situation changes our carryover will be simply tremendous and the burden too heavy for any reasonable price.

Looking back now as to what brought about this deplorable situation, we wish to refer to acreages at various periods as follows: (last three 000's omitted.)

	Australia	Argentina	U.S.A.	Canada	Total
1914	9,454	16,244	50,184	10,293	86,175
1930	18,149	21,283	60,520	24,897	124,849

Or an increase of almost 38,000,000 acres, or about 45%. The population in Australia, Argentina and Canada increased but very little, and in the United States it probably might have increased about 15 or 20%. This was not at first seriously felt because as an offset Russia and the territory adjacent to the Black Sea, which countries before the War frequently shipped 200,000,000 bushels or more a year, had been entirely out of the picture. However, last year they started again to become a more important factor, and prices receded accordingly, so that acreages in 1931 will be considerably smaller as follows: (last three 000's omitted.)

Australia (about)	Argentina (about)	U. S. A. (about)	Canada (about)	Total (about)
13,500	17,250	57,669	25,000	113,419

Now as to the Black Sea shipments- this week they are 2,088,000 bushels compared with 2,984,000 bushels last year; so far this season the largest since the War, amounting up to the present time to 92,888,000 bushels compared with 77,238,000 bushels a year ago. It is claimed that Russia had a poor crop this year; all news from Russia is uncertain, but should this be the case, we have to prepare ourselves for still larger shipments in 1932, and to this extent other exporting countries will have to reduce their acreages to bring about normal conditions. This will be effected in a natural way without pressure- the price will do it.

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FORT WORTH GRAIN AND COTTON EX.

December 10, 1931

We are convinced that not only have acreages been reduced this year, but also land is being much more neglected; and in another year the low price will probably bring about the readjustment.

Canadian marketings were 550,000 bushels and gradually growing smaller, which ought to help the Winnipeg market compared to ours. Clearances were only 80,000 bushels, from New Orleans. Primary receipts of wheat were very light, 538,000 bushels compared with 1,030,000 bushels last year, which shows a strong holding tendency on part of farmers. Stocks at Kansas City show a decrease of 758,000 bushels for three days, and at Duluth a decrease of 46,000 bushels. The heavy shipments from Kansas City are due to millers' taking wheat on December deliveries and shipping it to their mills.

Trade was somewhat lighter today. Neither side feels very sure of its position. The bulls have in their favor the very low prices. When July wheat sells here at 53¢ a bushel and at Kansas City at 46¢, the farmer in the western country would not get more than 35¢ a bushel for his wheat, or less than it cost to produce it, even with great economies; and there is certainly no temptation to sell it short. On theother hand, the general business situation and the very heavy supplies, for which there is no market at the present time, are not encouraging for a bull movement.

Corn receipts continue to be extremely light, and nothing but the low price of wheat causes the bearish sentiment. There are no burdensome stocks. This also refers to rye and oats.

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FORT WORTH GRAIN AND COTTON EX.

Dec. 11th, 1931.

Liverpool wheat cables were extremely weak; they were lower while an advance was expected in sympathy with our strength late in the session yesterday. Europe evidently pays no attention to the various rumors about Russia being in distress and short of wheat for its own population. As far as exports from that country are concerned, they are bound to be small until the next crop year, but this is more or less a normal condition.

According to Broomhall the United States net exports up to date or in 23 weeks, amounted to 62,100,000 bushels, which if continued at the same rate would be 140,000,000 bushels for the year. The Canadian exports were 93,150,000 bushels, which figured on the same basis would amount to 210,000,000 bushels during the year. However, as neither country ships, as a general rule, as much the last six months as the first six months, we think the totals will be considerably smaller; and if so U. S. with her large crop will carry over much more wheat than last season and Canada will not reduce her carryover very much.

Canadian marketings keep light- 617,000 bushels; clearances also were very moderate- 272,000 bushels. Primary receipts of wheat were very light- 562,000 bushels compared with 865,000 bushels last year. Stocks at Kansas City, Minneapolis and Duluth decreased so far 1,286,000 bushels, the chief decrease being at Kansas City where wheat delivered on December contracts is being shipped out.

During the session wheat became very strong on various rumors; one of them was the heavy engagements for Canadian wheat at Vancouver, to which we pay no attention, as the Winnipeg market remained comparatively weak, and complaints from there are very frequent that business is absolutely unsatisfactory. Furthermore, Canada still has 184,000,000 bushels of wheat in sight, besides what the farmers hold; and that is a large quantity to get rid of.

There was another rumor, which excited the trade more; namely, that a bill will be suggested in Congress instructing the Farm Board not to sell any more wheat for the balance of the season. Should this bill be passed, it would mean that 30,000,000 bushels of wheat which are supposed to be sold by the Farm Board during the next six months, would have to be carried over into the next crop, and might temporarily help the price. This makes it very plain that we are going to have more or less of a political market now while Congress is in session. Nobody can be quite sure what bills will be passed, and we adhere to our policy, which we have pursued right along, of trying to figure out the value of wheat regardless of any artificial stimulant, because finally it will sell on basis of what it can be disposed of in importing countries as long as we have a big surplus.

Coarse grains were all weak, but finally improved in sympathy with wheat. Corn receipts are extremely light, and there is no great pressure, but the sentiment is bearish on account of depressed business conditions, and weak stock market.

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.

December 12, 1931

Liverpool cables were about 1¢ a bushel lower whereas, according to our system of figuring, they should have been 1 1/4 1 5/8 cents higher. An advance in sterling exchange of about 6 to 7 points would amount to 1¢ difference, but nevertheless cables are very weak. Possibly this may be due to the fact that according to our reports Russia is again offering flour very freely. This comes to us from a very reliable authority, who claims that the flour is of excellent quality and offered for shipment December, January, February, and March at considerably less than it can be obtained from this country or Canada.

However, we do not expect such large shipments from Russia to be very influential, as they usually drop off at this time of the year, as they did last season. They were still quite heavy in the week of December 23d at 1,920,000 bushels; December 30, 1,216,000; and then they had a sharp falling off on January 6th to 648,000 bushels; January 13th, only 400,000; January 20, 232,000, and January 27, 256,000 bushels. They picked up again in February and March, dropping in April; but the total shipments after this period last year were more or less inconsequential.

To show how much we are out of line for export: Liverpool December wheat closed at 51 5/8 compared with ours at 53 1/2. Their May wheat at 57 3/8 compared with ours at 56 3/8, or only one cent per bushel higher. Winnipeg May wheat, which is selling in competing markets easily 5 cents higher than ours, is selling, exchange considered, at 52¢; and as Argentine wheat is also selling considerably lower than ours, it is certainly quite plain that our competitors in the export business are getting the preference over us.

Nevertheless, in spite of all this bearish news, the market held very strong and everybody is looking for the reason. We believe it is that at present there is no new pressure on the market. Stocks are still decreasing very moderately, and the world is so imbued with the wish to see wheat prices higher in order to help the general business situation and the stock market, that they are closing their eyes to the actual facts. The desire to see wheat go higher is a natural and commendable one, and one which we share; but we do not believe that any good end can be served by overlooking the actual situation, and the sooner we recognize this fact the sooner the remedy will be found, which can come only from increased consumption or decreased acreages.

Primary receipts of wheat today were 674,000 bushels, somewhat larger than of late, but still smaller than last year, when they were 806,000 bushels. Stocks at Duluth, Kansas City, and Minneapolis decreased so far 1,532,000 bushels, the bulk of it at Kansas City. Minneapolis stocks decreased only 120,000 bushels, which is quite extraordinary considering the small crop there and their large supplies. Clearances were only 24,000 bushels. Canadian marketings were 441,000 bushels, which is very small and probably less than they sold in a day; but it shows that the hedges will be taken out very soon and the Canadian market ought to gain on ours.

Corn receipts are extraordinarily light considering the large crop as compared with last year. Consumption also is small, but nevertheless we believe that whenever the turn comes in general business conditions corn will be the first to benefit by it. Oats and rye remain neglected.

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FORT WORTH GRAIN AND COTTON EX.

Dec. 14th, 1931.

Every big export market and all the large importing markets were weak, with the exception of Chicago, where prices kept comparatively firm, and therefore, putting our futures way out of line with the world. At the close today we are practically 1¢ lower than Liverpool on the May wheat and a couple of cents ~~lower~~ higher for the December wheat. Winnipeg May wheat exchange considered, is selling equal to 50 3/4¢, or over 6¢ under ours, and this is the finest wheat in the world; their #3 Northern is selling at about a 6¢ discount under the contract wheat. Consequently, their wheat is practically 12¢ under ours, considering that #3 Northern and #2 hard sell at about the same price in competing markets.

The strength in our market was still more remarkable, as the stock market was very weak, trade was light and the purchasing power is very limited. This is not an unprecedented condition, as we have seen Chicago out of line very often, but unless there were corners or the market was manipulated, we always found that sooner or later the situation adjusted itself, and we believe it will do so this time also.

We find that the average carryover for nine years, from 1920 to 1928, on July 1st, according to official figures, were about 126,000,000 bushels a year. Since that time we have had steady increases- in 1929 our carryover was 247,000,000 bushels, in 1930 it was 290,000,000 bushels, and in 1931 up to now it is 334,000,000 bushels, and the present outlook is that this year it will be nearer 400,000,000 bushels than anything else. On this assumption, even if the Farm Board carries over 144,000,000 bushels of wheat there will be plenty of free wheat, and either other markets have to come up to ours or we have to go down to their level.

Canadian marketings were particularly light today for a Monday- only 480,000 bushels, and as their average sales a day are considerably more, we think that soon hedges will be taken out of Canada and their market ought to gain on ours.

Primary receipts today 1,174,000 bushels- exactly the same as last year, and there seems to be a little better movement. Minneapolis decrease so far in two days 165,000 bushels. World shipments were much the same as a year ago- 11,180,000 bushels compared with 11,404,000 bushels. The visible supply showed a big decrease- 4,150,000 bushels compared with 1,621,000 bushels in 1930; the total is now 213,000,000 bushels, and about 24,000,000 bushels larger than last year. After this period last year decreases were very small, and we expect the same this year.

Shipments to Brazil so far are 4,930,000 bushels of wheat and flour.

Corn receipts were extremely light- 548,000 bushels against 1,915,000 bushels last year on a much shorter crop. Nevertheless, this cereal shows very little gimp, having only small fluctuations and the consumptive demand is very poor. This also refers to rye and oats.

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Dec 15th, 1931.

With sterling exchange about unchanged, cables were considerably lower than yesterday, which compels us to analyze the foreign situation as extremely weak. At the close today we are considerably higher than Liverpool for every future; a very extraordinary situation, and we hardly think anybody in the trade has ever seen it like this before without there being an adjustment sooner or later. Everybody in the trade knows this as well as we do. Nevertheless, if the feeling on wheat is bullish and buyers more abundant than sellers, we have to look for other reasons outside of the wheat situationto account for it; and one of them is a fear, if not expectation, that we shall go on an inflated basis. Others think that it might be advisable for this country to go off the gold basis, which also would amount to the same thing and stimulate prices. We, ourselves, do not believe in either of these theories, but adhere to the belief that wheat will finally sell on its merits, and that there is no reason for the United States to change its monetary system- we being a creditor nation and not a debtor nation, and most of our obligations are payable in gold anyhow.

Primary receipts of wheat today were exceedingly light- only 398,000 bushels, a little more than half as much as last year when they were 714,000 bushels. Stocks at Minneapolis, Duluth and Kansas City decreased so far 599,000 bushels. Canadian marketings are 659,000 bushels, quite fair considering the small amount which is supposed to be left in farmers' hands. Our commercial supplies in the United States now are 227,891,000 bushels- a little over 27,000,000 bushels more than last year. The amount of U. S. wheat in Canada is 25,000,000 bushels more, so we have at the present time 52,000,000 bushels more wheat in sight than last year.

According to Broomhall, the division of exports last week were as follows: From the United States 3,084,000 bushels, and from Canada 2,755,000 bushels, or a total of 5,839,000 bushels. This is the first time in a long while that the United States shipments were more than Canadian, and the small Canadian shipments probably account for the weakness there, the exchange considered. Bradstreet's visible shows a decrease of 8,586,000 bushels compared with 641,000 bushels last year, and the total now is 473,528,000 bushels compared with 458,485,000 bushels a year ago.

Corn was independently strong today, even when wheat was weak. We have pointed out right along that the fundamental conditions in corn are much better than in wheat, as there is no large surplus and farmers are reluctant to sell at this low level. This also refers to rye and oats, both of which showed great strength.

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Dec. 16th, 1931.

Liverpool wheat cables were quite strong today following our advance of yesterday, and this gave us a very good market during the greater part of the session. Toward the close Canada showed extreme weakness, and we think there has been a great deal of unspreading between the two markets; some of the traders being afraid to be short in Chicago on account of many conditions not belonging to the realm of wheat and entirely independent of statistics or supply and demand. The following theories were advanced as to why some of the traders lean to the bull side: hopes that the Government will again be helpful in creating artificially high prices, others think that the Farm Board has it in its power to maintain prices above European levels for some time, another class looks for general inflation, and still others believe that finally we might go off the gold basis. We subscribe to none of these theories. Ever since there was agitation in Congress when the McNary-Haugen bill was first suggested, we have based the outcome of prices on supply and demand; the theory has worked very well in the past and we think it will continue to do so in the future.

Toward the close a sharp decline in Canadian markets, together with a good break in December wheat here, made it difficult to keep the market in check, and declines were very rapid.

The open interest in December wheat is gradually being reduced--yesterday it was 4,474,000 bushels, compared with 6,962,000 bushels a week ago.

Primary receipts of wheat today were only 339,000 bushels, extraordinarily small compared with 696,000 bushels last year. showing that the farmer is not an anxious seller. Stocks at Minneapolis, Duluth and Kansas City decreased 805,000 bushels, Canadian marketings are 550,000 bushels. Clearances, all from Galveston, are 430,000 bushels. Bradstreet's clearances this week 4,796,000 bushels against 6,469,000 bushels last week and 4,021,000 bushels last year; the total now is 161,000,000 bushels versus 194,000,000 bushels last year.

Corn, oats and rye all sympathised at first with the advance in wheat and then declined when wheat could not hold up its head.

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Dec. 17th, 1931.

Liverpool wheat cables were 1¢ lower before our session opened, and considered very weak. Stocks also made new declines, and with the continued losses which are being incurred in the stock market, the speculative sentiment in grains is being influenced, and it is difficult to obtain buying orders unless strong arguments are brought forth to show why wheat prices should increase. This, however, cannot be done conscientously as long as we are way out of line for export and have a tremendous carryover.

Bulges lately have been based on possible legislation or artificial means by which to boost our wheat prices, in spite of the world situation, which spells the contrary.

Black Sea shipments were larger than last year- 2,896,000 bushels compared with 2,760,000 bushels in 1930. It is true, Russia shipped less, but the other Balkan states shipped more, and this comes true to our predictions.

Canadian marketings were 660,000 bushels, which is quite large, because according to crop estimates there should be less than 40,000,000 bushels left in farmers' hands, and it is hardly likely they would ship it as fast as they do now unless the crop had been under-estimated.

Clearances were quite unimportant- only 32,000 bushels from New Orleans. Stocks at Kansas City, Minneapolis and Duluth seem to be decreasing only very little, and therefore our visible supply will not be impaired a great deal unless the export situation should change radically, of which there are no signs.

Primary receipts continue to be extremely light- only 399,000 bushels, hardly more than half of last year when they were 773,000 bushels, but we are informed that there are signs of an increasing movement in the Southwest, which usually occurs before Christmas.

The public's frame of mind is such now that it is neither attracted by low values, nor even cheap values; therefore, we would not be surprised to see further declines.

The Government report on wheat was also a little bearish, showing an increase of 7 or 8,000,000 bushels over the previous estimate. The Government report on corn was very bullish, making the crop more than 100,000,000 bushels less than its previous estimate, and this induced some buying early in the session, but when wheat declined so much corn could not resist sympathising.

Oats and rye were much neglected and also closed lower.

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Dec. 18th, 1931.

Liverpool wheat cables were strong today- they finally showed an advance of 1/4¢ to 3/8¢, while we declined yesterday. However, the advance was largely due to the decline in sterling exchange- 12 points lower, or almost the equivalent of 2¢ per bushel. At the close today we are practically 1¢ higher than Liverpool on our May future, which is quite an extraordinary situation. We are correspondingly out of line with the other exporting countries-- Argentina and Canada, and therefore, we must consider our market just at the present time not an international one from the viewpoint of prices, but entirely a local affair. This does not happen very often- it has occurred in times when United States wheat was scarce, and when we could be absolutely indifferent to foreign purchases; It also has occurred in years when our futures were manipulated, but practically never, with the exception of last year when wheat was stabilized and when we had such an enormous amount of wheat available for export. It is safe to say that our surplies are large enough so that we could easily ship abroad the wheat normally required from this country for two years.

As there is generally a reason for every occurrence, we must look for the cause of the strength in wheat. Today's advance can equally be explained as being entirely sympathetic with the stock market, and the general feeling that should further improvement take place, all cereals would benefit by it; some even go to the length of believing that we are strong enough to lift Europe out of its rut and they will be compelled to come to this country sooner or later for their supplies.

It is true, the world is not receiving a great deal of wheat at the present time from exporting countries; Argentina, Australia and the Black Sea will ship about 5,500,000 bushels this week, so if the United States and sundry countries ship about 8,000,000 bushels this week, the total will be under what is generally considered normal requirements.

Primary receipts of wheat today were 425,000 bushels compared with 1,068,000 bushels last year. Stocks at Duluth, Kansas City and Minneapolis show a decrease of only 504,000 bushels. Canadian marketings were 571,000 bushels. Wheat clearances were 121,000 bushels, all from New York.

Corn, oats and rye all sympathised with the advance in wheat. We believe the corn situation is extremely strong, receipts being very small, the crop now hardly a normal one in size and the price extremely low.

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FORT WORTH GRAIN AND COTTON EX.

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Dec. 19th, 1931.

Liverpool wheat cables were decidedly weak today, even after giving consideration to the fact that the sterling exchange had improved about 4 points. Nevertheless, after a very weak opening our market advanced almost 1¢ a bushel from yesterday's close. It is very plain that hardly any attention is being paid to cables or to foreign news, and this is entirely in line with what we think should take place at the present time, as we are gradually assuming more and more the attitude of a domestic basis as far as price is concerned. As long as our wheat is selling at practically the same price as Liverpool, and 10¢ a bushel above Argentina and Canada (our biggest competitors), quality and exchange considered, what is the use of reasoning out what Russia is doing or what is happening abroad. We have practically lost our export business- there is very little in sight for the next six months, unless there is the most radical change imaginable.

According to official figures, the total exports of flour during the first four months of the crop year were 3,138,000 barrels versus 4,913,000 barrels the year before. Translated into bushels of wheat, the figures would be 14,000,000 bushels against 22,000,000 bushels last year, when the exports also were very small. As the big flour business is always done the first four months of the crop year and very little is sold ahead now, it looks almost as if we had lost our flour export business on this crop.

In the past we have always paid very little attention, as far as corn prices were concerned, whether Argentina was under selling us 20¢ per bushel or not, as we always considered it a domestic proposition; as our wheat export business has gradually been on the decline now for two or three years, until it is almost at the vanishing point, we must do the same with wheat, and just figure, after giving due consideration to farm board holdings, what wheat is worth and what the speculator will pay on an almost strictly domestic basis.

It is becoming more and more apparent that our carryover this year will be in the neighborhood of 400,000,000 bushels or more, of which probably the farm board will hold about 145,000,000 bushels, the farmers in all probabilities will have much larger amounts on their farms than usual, and the balance will have to be taken care of by speculators in anticipation of change the coming season.

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FORT WORTH GRAIN AND COTTON EX.

December 19, 1931

Yesterday's government report was disappointing in so far as the reduced acreage in winter wheat is only about 10½ per cent as compared with 15 per cent which the private experts led us to believe would take place, a reduction of about 5,000,000 cares, which usually might have produced 75,000,000 bushels of wheat.

The condition also was far below the average; but weather conditions from now on will determine the size of the crop, and no one can tell anything about that as yet. However, unless a miracle happens, the combined winter and spring wheat crop is bound to be more than our local consumption. Next year, therefore, we shall be confronted again with the question whether to carry into 1933 the further surpluses which will be raised, or finally to make a clean sweep and meet foreign markets, disposing of our wheat as best we can. The situation cannot be corrected by holding our supplies back and giving other exporting countries the benefit of our inactivity; because in that case they will not reduce their acreages.

Stocks at Kansas City, Duluth, and Minneapolis showed a decrease of 438,000 bushels. This points to a moderate decrease in the visible supply on Monday. Canadian marketings 622,000 bushels, and during the week they must have marketed close to 4,000,000 bushels, which would be about 10 per cent of all the wheat which is supposed to be in farmers' hands. Looks as if their crop had been again underestimated. Primary receipts of wheat still light, 473,000 bushels compared with 928,000 last year. However, there are positive indications of an increase. There were practically no clearances, only 2,000 bushels fromm Boston.

Toward the close there was heavy liquidation in wheat and decidedly lower prices.

Corn, oats, and rye all sympathized with the sister cereal.

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Dec. 21st, 1931.

Liverpool wheat cables were again very weak, altho their prices are so low that it is almost unthinkable that they should decline much further. The weakness is all the more surprising as world shipments are quite small- less than 12,000,000 bushels- a quantity which ordinarily is considered below their weekly requirements. Evidently Europe has already purchased sufficient quantities of wheat in Australia and Argentine, where the new crop is just commencing to move in commercial quantities; or else they feel sure that there will be no trouble in making purchases there in large enough volume to satisfy their needs. In addition, of course, there are also daily offers from Canada, but they seem to regard the United States as non-existing as far as wheat supplies are concerned for their requirements. It, therefore, behooves us to make our calculations accordingly, and figure what our situation will be on the assumption now that as far as new business is concerned, we should be on a domestic basis, and that the only clearances will be those for which the farm board had already contracted and sold, which will gradually disappear from this side.

Looking at the last Government Report, we find that the planted acreage is not as small as we thought at first- 38,682,000 acres, being only about 3,300,000 acres less than what was given at this date last year. It is true, it is 4,500,000 acres less compared with the final sown figures of last year, but the latter figure was only attained after the Government added 1,000,000 acres to the acreage which was figured on right along.

The weather now seems very favorable in the Southwest, and the only detriment, in our opinion, to the crop is the fact that owing to the very low prices, land will not be cultivated as well as usual, and with greater neglect in farm work it will require extraordinarily good weather to produce an average crop. In the meantime, statistics continue to be quite unfavorable; the visible supply decreased almost identical with last year- only 1,135,000 bushels, and is now 212,374,000 bushels, with only one week more left this year, and it is quite plain that it will be the largest ever recorded at the beginning of a new calendar year, and is at the present time 23,887,000 bushels larger than in 1930. Primary receipts of wheat were better, but yet considerably under last year's as follows: Today, 1,114,000 bushels and last year 1,527,000 bushels. There were no wheat clearances, which is not surprising as long as wheat in Europe and those countries which are not protected by high tariffs is selling at the same price as it is selling here.

Trade was extremely light, and has assumed a holiday character. A moderate amount of selling brought about some comparatively sharp declines.

Corn receipts improved a little, but yet they are very light compared to the size of the crop- 668,000 bushels. Nevertheless, this cereal declined in sympathy with wheat, and so did oats and rye.

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FORT WORTH GRAIN AND COTTON EX.

Dec. 22nd, 1931.

Trade in all kinds of grain was extremely small today- it has completely assumed the character of the approaching holidays. Liverpool wheat cables were about 1/4¢ lower for the deferred futures, but of no particular significance. Europe is now very much impressed with the near approach of an early and heavy movement from both Argentina and Australia. Argentine shipments will be comparatively larger than usual for the size of the crop, as there was a good deal of old wheat carried over, which will be mixed with the new; and as Brazil will not be an active buyer, having been supplied with wheat from the United States, the burden for Europe will be proportionately greater. It is generally assumed that there will be an exportable surplus of 250,000,000 bushels of wheat from the Southern Hemisphere, of which 70% is likely to be shipped the first six months, or about 6,500,000 bushels a week. Add to this about 4,or 5,000,000 bushels from Canada, which is the minimum which that country must get rid of, and possibly 1,000,000 bushels from the Black Sea, but probably more, we can count up over 12,000,000 bushels of world shipments aside from the United States. This will almost take care of the requirements of the importing nations. In other words, the world has adjusted itself practically without counting much on us; however, we have not yet adjusted ourselves to the new outlook. We are starting the year 1932 with easily 400,000,000 bushels for export, which represents a quantity about equal to our net exports for the three years- 1929, 1930 and 1931 combined. Inasmuch as we have raised wheat for export for the last fifty years, we have no doubt that we shall do it again in 1932. Therefore, our situation will become intolerable unless we do something to meet world's markets and get rid of our surplus.

Outside of the visible supply, we find there are in store in Canada over 29,000,000 bushels of American wheat compared with less than 5,000,000 bushels last year, and this is wheat which must be exported sooner or later. These 25,000,000 bushels of wheat will have to be gotten rid of before the wheat stored in the United States will have a chance.

With all this, we are only about 1 1/2¢ lower than Liverpool, which means European markets, because all Continental markets are guided by the values at Liverpool.

While fluctuations here were very small, Winnipeg was quite strong and gained considerable on us. This can easily be explained. Canadian marketings were 609,000 bushels, and since there are supposed to be only 37,000,000 bushels of wheat left in farmers' hands, it would mean the marketings of a little over 1,000,000 bushels a week. It is likely that Canada will be called on for 4 or 5,000,000 bushels of wheat a week from now on; if so, lots of hedges will have to be removed and they ought to gain considerably on us. With Canada practically selling at 10¢ under us, quality and exchange considered, the purchase of wheat up there against the sale of ours we think will prove to be very profitable.

December 22, 1931

According to Broomhall, North American shipments last week of 4,976,000 bushels were divided as follows: from the United States, 2,387,000 bushels; and from Canada, 2,589,000 bushels: very small from each country.

There were no wheat clearances today; there were none yesterday, nor were there any last year. Primary receipts were extremely light, only 464,000 bushels compared with 1,007,000 last year. Milling demand at this time of the year is usually very light, and stocks in spite of light receipts should not decrease very much. In fact, Duluth, Kansas City, and Minneapolis so far for the week show an increase of 32,000 bushels.

Corn receipts were again very light, only 430,000 bushels as compared with 925,000 last year. While the outlook for wheat the coming year is not very promising, we think corn purchased at present values will prove a very good investment some time in 1932. There are no burdensome stocks anywhere, nor was the crop overwhelmingly large to justify an extremely low price. It is true that consumption is below normal, but feeding is going on just the same daily, and we never have had any trouble in this country in disposing of a 2,50,000,000 bushel corn crop.

Oats and rye continued to be neglected, but the low level of prices has discounted all the bearish conditions.

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Dec. 23rd, 1931.

Liverpool wheat cables were practically as due; sterling exchange showed a little improvement, but conditions in Europe are much the same as here just now- very light trading and regular holiday markets.

There was very little news today to influence those who had taken a position before; neither longs nor shorts were favored with any news which would strengthen or weaken their position. In other words, conditions are much the same as they have been right along. Our markets are out of line for export, new business for shipment abroad is impossible, and the movement, while light, is sufficient to take care of our domestic requirements. Under the circumstances, there were no inducements to enter into new engagements, but the little liquidation which took place brought about trivial declines.

Bradstreet's exports of wheat this week 4,761,000 bushels, very small indeed, altho they were small last week and last year and do not differ very much. However, the total is only 165,000,000 bushels versus 199,000,000 bushels last year, or 34,000,000 bushels less. Duluth, Minneapolis and Kansas City stocks so far show a net increase of 49,000 bushels. Primary receipts of wheat were very small- 416,000 bushels against 743,000 bushels last year.

Corn receipts were a little larger than of late- 500,000 bushels compared with 881,000 bushels last year, but yet considering the size of the crop it makes a very poor showing. The very mild weather which is existing at the present time brings about great savings and probably prevents a firmer market, which ordinarily would be the case, considering the strong holding tendency of the farmer, and the low prices prevailing.

Oats and rye continued to be neglected.

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FORT WORTH GRAIN AND COTTON EX.

Dec. 24th, 1931.

Liverpool wheat cables were unchanged today, and there was very little news of any kind to influence the position of traders. The trade agreement between Russia and Germany, whereby the latter country will take about 3,700,000 bushels of wheat, and a much larger quantity of rye, in addition to barley, was confirmed, but these quantities are not large enough to cut much of a figure.

Australia and Argentine, as was expected, started in with a heavier movement on the new crop- a little over 3,000,000 bushels from Australia, and this, together with Black Sea and Argentine shipments, gives the importing world about 7,700,000 bushels. Therefore, Europe will get along another week without any very heavy contribution from North America.

There were no wheat clearances today; primary receipts were light- 549,000 bushels; this cannot be compared with last year, when there was a holiday.

We have gathered some very interesting information from the Congressional records. It seems that on October 1st, stabilization wheat holdings amounted to 205,954,591 bushels. Of course, some of this wheat had been sold then but not yet shipped. We also gather from the location of this wheat that about 115,600,000 bushels had been stored in places which make up the visible supply, and as same on October 3rd was 223,109,000 bushels, there was in the visible supply at that time 107,500,000 bushels free wheat, which is a larger quantity than there ever was in the visible supply before the farm board started its activities. We consider the quantity as extremely large considering that the whole open wheat interest is only about 117,000,000 bushels or so.

Canadian marketings were very light- 427,000 bushels- perhaps the lightest on the crop, and this caused probably a firming-up of that market.

Trade was extremely light and only very small covering by shorts firmed up prices.

Corn receipts amounted to only 293,000 bushels, and we think this looks promising for the price of the cereal the coming crop. It seems farmers are not selling freely, preferring to hold.

Oats and rye continued to be neglected.

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December 28, 1931

All grain exchanges from Winnipeg to Liverpool and across this continent were closed during the Christmas holidays - Friday, Saturday and Sunday - during which period nothing unexpected happened and cables were practically unchanged this morning. Our market opened somewhat lower, probably in sympathy with the very weak stock market. The fact that no positive sign of business recovery is expressed in stock quotations is certainly very discouraging and must remain so until statistics in grain become more bullish, in which case we could easily imagine wheat and corn might advance in spite of generally poor business. In fact, the advance in these commodities might be leading everything else. However, unfortunately nothing is in sight at the present time to bring about such a favorable change.

The importing nations seem to be getting along with very small quantities, world shipments this week being only 12,863,000 bushels compared with 11,181,000 bushels last year, and North America's contribution is only 4,754,000 bushels. The Quantity is considered much below the average requirements. One of the reasons may be that England is very well supplied, having purchased heavily in anticipation of a duty, and now possibly she will permit her stocks to run down somewhat.

United States official exports for November were 13,379,000 bushels; the total since July 1st, for five months, 69,406,000 bushels compared with 80,188,000 bushels last year. However, in these figures are included very large shipments to Canada - about 15,300,000 bushels which have not yet been disposed of, and which compare with inconsequential amounts last year. This,together with importations of 6 or 7,000,000 bushels, reduces the actual United States' exports of wheat and flour for five months to 50,000,000 bushels, which is extremely small considering that we raised a crop of almost 900,000,000 bushels, with an ordinary consumption of 650,000,000 bushels to which some extra feeding would have to be added this year.

The visible supply of wheat increased 558,000 bushels this week vs decrease last year of 378,000 bushels. The total is now about 25,000,000 bushels more than last year. As a general rule, the decreases during the last six months of the crop year depend almost entirely upon the size of the exports.

Primary receipts today were 1,461,000 bushels compared with 1,470,000 bushels last year. Clearances were only 24,000 bushels, all from Baltimore.

Canadian farmers' deliveries were only 691,000 bushels. This is not more than one day's fair export business, and we think Canada has passed a point where there will be much more pressure on part of hedges, but the contrary will take place and hedges will be removed. We believe this market will gain on ours right along.

At no time today did wheat sell higher than Thursday's close. The net decline was not very important, which is quite natural as the price is already so low. Although one might feel bearish, one cannot expect but a gradual lowering of prices. This will probably happen as long as the export demand remains so poor, or until there is some real crop damage perhaps later.

Corn movement continues to be extremely light, but the demand is also unimportant. The mild weather brought about a great saving, but the winter has really only started and it would be strange should we not have colder weather later on. Due to the fact there are very many more hogs on feed than the average, all of which consume more or less corn, we think this cereal will be the first to advance in price whenever the time is right, and oats and rye would sympathize with it.

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Dec. 29th, 1931.

Liverpool wheat cables were about 1/2¢ lower today; this in spite of a slight decline in Sterling exchange, and with our market advancing Liverpool and Chicago May wheat are again practically the same price. This again gives us an artificial situation, which we do not think will hold. It is almost tiresome to repeat over and over again that with the largest amount of wheat ever left over in this country for export, the situation will never be sound until we meet world's markets.

For the last six months a great many people had hoped that European markets would have to come up to our level, and many still believe they will, but at present there are no signs of it. It is quite sure that if they do not rise sufficiently then we will have to decline to their level.

The strength today, in spite of this unfavorable situation, can easily be explained by the fact that stocks were considerably stronger which inspired greater confidence, and also corn improved in price. Otherwise the news was entirely colorless.

Primary receipts were light- 338,000 bushels compared with 887,000 bushels last year. There were no clearances. Stocks at Duluth, Kansas City and Minneapolis show a net increase of 173,000 bushels, indicating again a standoff in the visible supply, or no large decrease. Canadian marketings were only 270,000 bushels, the lightest so far on this crop, and if this continues we expect Winnipeg to gain on us very heavily before long.

Clearances from the United States alone last week were only 1,500,000 bushels, and while they may have been somewhat influenced by the many holidays, they are still extraordinarily unimportant. Canadian clearances were also light- 3,253,000 bushels. Bradstreet's visible for the week shows an increase of 411,000 bushels against a decrease last year of 2,052,000 bushels. The total now is 475,000,000 bushels versus 454,000,000 a year ago. The visible supply was never as large as this at the end of a fiscal year.

Corn was extremely strong, and this can be explained easier than the strength in wheat. While the visible supply of wheat is about 212,000,000 bushels, which will always be a great burden on the market, the visible supply of corn is only 11,000,000 bushels, and no signs of its increasing very fast. The farmer is not selling very freely, and there are almost 20% more hogs in this country than last year, and therefore the amount of feeding must be quite considerable. It is true, the commercial demand is poor and the winter so far has been very mild, but according to the calendar the winter has only just started, and there is nothing to indicate that we shall not have our usual amount of cold weather before the season is over.

Oats and rye also sympathised with the strength in everything else.

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Dec. 30th, 1931.

Cables were about 3/4 to 1¢ higher today- a slight decline in sterling exchange accounted for part of the advance. Looking at it from any point of view one wishes, we do not look for much strength abroad, with their May wheat only about 1 1/2¢ higher than ours, and in this way we will not get on a shipping basis very soon.

A little firmer tone in the stock market had some influence on prices for a while, but trade was extremely small, and it was difficult to maintain values. At the end the market recorded a small decline.

Primary receipts of wheat today were extremely light- only 396,000 bushels versus 882,000 bushels last year. Bradstreet's clearances for the week are better at 5,497,000 bushels against 4,761,000 bushels last week and only 3,902,000 bushels last year. From July 1st to date they are 32,000,000 bushels less than a year ago. There are still large open interests in December futures: 2,426,000 bushels in wheat and 1,013,000 bushels in oats. Yet we believe it will all be cleaned up without any fireworks. Canadian marketings of wheat only 228,000 bushels. Looks as if all pressure in Canada is over and from now on that market ought to gain sharply on us.

We expect very narrow markets until after the holidays.

Corn sympathised slightly with the decline in wheat, and oats and rye showed very smallchanges.

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Dec. 31, 1931.

Liverpool wheat cables were just a trifle higher, but were of no influence. Our market started strong on a report emanating from New York stating that the London Mail had news indicating there was a Russian revolution in sight against the Stalin Government. To us the report was ridiculous; one paper would not have a monopoly on such news, financiers would know something about it, and so would the grain merchants at Liverpool, whose living depends upon collecting accurate and early information. Broomhall did not wire one word about it. Whenever such messages are circulated, and this is about the fiftieth time that we have heard of a threathened revolution, we always try to use our own common sense as to whether there is any likelihood of its being true. Consequently, we cautioned the trade immediately, and as the view gradually gained ground that this Russian news should be ignored, prices declined again after a very sharp advance. These reports are very costly to the trade.

Statistical news was very much like heretofore; primary receipts were very small- only 499,000 bushels. There were no clearances. Kansas City, Duluth and Minneapolis stocks showed an increase of 549,000 bushels, which makes us believe that there might possibly be another increase in the visible supply next Monday. Canadian marketings continue to be light- at only 291,000 bushels; this ought to keep that market quite strong.

The real important, and not imaginary, news, in our opinion, was the big improvement in the Canadian exchange; at one time last week Canadian exchange went down to 19% discount, and it sold today as low as 15% discount, closing just a little better. This means a difference of 2 to 3¢ a bushel on the price of Canadian wheat, and we imagine that offerings from Canada will figure out correspondingly higher, and Liverpool will have to pay from 2 to 3¢ a bushel more for Canadian wheat. Therefore, we look for very strong cables on Monday, particularly so as world's shipments also promise to be very light- possibly not over 10,000,000 bushels. We figure that Australia, Argentine and Russia together will hardly have over 4,500,000 bushels to 5,000,000 bushels, and the rest will come from North America.

A weakening factor was also the fact that December wheat was very liberally offered; a great many had hoped there would be an artificial bulge, which did not materialize.

In reviewing a little the old year, we find that at the end of 1930 July wheat sold at 62 1/2¢, or about 6¢ higher than our close today. There are no fair comparisons between the two Mays, as last year May wheat was stabilized and an unnatural market. There has been an improvement in the world's situation to the extentthat Argentine and Australian acreages have been reduced, and there has been a reduction in our hard winter wheat acreage. On the other hand, this is the third year in succession when United States price level was higher than that of Europe; in consequence of which stocks have been accumulating steadily, and we believe we will start in the year 1932 with about 100,000,000 bushels more wheat than we had last season. This accumulation will be very expensive to the farmer on next year's crop, no matter whether it will be a big one or a small one. The natural lesson would be then to start in to try to dispose of our huge surpluses. The farmer has sold a large percentage of his crop, he is not much interested any more in the price of the 1931 crop, but it will be very important for next season's yields whether on the first of July we shall have a burdensome supply on hand or not.

Corn showed a good deal of strength during the session; receipts continue to be light, feeding demand is enormous, and we are very hopeful that the year 1932 will bring much higher prices for this cereal. If this is correct, it would also affect oats and rye.

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